FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

Central Eurasia

FBIS-SOV-95-091
Thursday
11 May 1995

Daily Report
Central Eurasia

FBIS-SOV-95-091 CONTENTS *11 May 1995*

NOTICE: An * indicates material not previously disseminated in electronic form.

VICTORY IN EUROPE DAY EVENTS

Further on Clinton Visit

Clinton, Yeltsin Reach 'Important Accords' *[ROSSIYSKIYE VESTI 11 May]* 1
  Joint Statements Noted *[INTERFAX]* 1
  NATO Issue Said 'Key Theme' *[ITAR-TASS]* 2
  Agreement on 'Tactical' ABM Systems *[SEGODNYA 11 May]* 2
  Joint Effort To Combat Terrorism *[INTERFAX]* 3
Yeltsin: OSCE Delegates Approved for Chechnya *[INTERFAX]* 3
Yeltsin Hosts Dinner in Honor of Clinton *[ITAR-TASS]* 3
Gaydar Thanks Clinton for Decision To Visit *[ITAR-TASS]* 4
Yavlinskiy Tells Clinton: No Genuine Democracy *[ITAR-TASS]* 4
Zyuganov Talks to Clinton About Chechnya Situation *[ITAR-TASS]* 5

Commentary

PRAVDA Terms Summit 'Worst-Prepared' Ever *[11 May]* 5
Media Fail in 'Objective Coverage' of VE Day *[PRAVDA 11 May]* 6
Melor Sturua on Clinton Visit, Media Circus *[IZVESTIYA 11 May]* 6
Summit Seen as Producing 'Some Compromises' *[KOMMERSANT-DAILY 11 May]* 8
Summit Seen Short on Progress, Long on Face-Saving *[MOSKOVSKIY KOMSOMOLETS 11 May]* 8
Clinton-Yeltsin Talks 'Bring No Surprises' *[KOMSOMOLSKAYA PRAVDA 11 May]* 9
Presidents Preserve 'Spirit of Partnership' *[ROSSIYSKAYA GAZETA 12 May]* 9
Gorbachev Comments on Clinton-Yeltsin Summit *[Paris LE MONDE 10 May]* 11

Other Events

Yeltsin Speech at 5 May Award Presentation *[ROSSIYSKAYA GAZETA 7 May]* 12
Army Paper Cites Major, Clinton, Luzhkov Addresses *[KRASNAYA ZVEZDA 11 May]* 15
Text of Yeltsin Speech at 9 May Kremlin Banquet *[ROSSIYSKAYA GAZETA 11 May]* 16
Further Yeltsin Congratulations to War Veterans *[ROSSIYSKAYA GAZETA 11 May]* 16

INTERNATIONAL AFFAIRS

Yeltsin Praises Nagorno-Karabakh Cease-Fire *[ITAR-TASS]* 18
CIS Contribution to Karabakh Peace Hailed *[RABOCHAYA TRIBUNA 5 May]* 18

INTERREGIONAL AFFAIRS

ITAR-TASS Carries Press Review for 11 May 20
Director Describes Federal Border Service *[ROSSIYSKIYE VESTI 11 May]* 21

RUSSIA INTERNATIONAL AFFAIRS

Tasks of Gore-Chernomyrdin Commission Explained *[ITAR-TASS]* 23
No Plans To Halt Iran Deal During Commission Talks *[INTERFAX]* 23
'Absolutely No Changes' to Contract With Iran *[ITAR-TASS]* 24
Yeltsin's Stand on Cooperation With Iran Viewed *[Moscow ORT]* 24
Iran Deal 'Strictly Controlled' by Special Services *[INTERFAX]* 25
Iran Deal Seen as Concession to United States *[SEGODNYA 11 May]* 25
Yablokov: Nuclear Technology Sale to Iran 'Dangerous' *[INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY]* 25
Shumeyko Questions Need for NATO *[INTERFAX]* 26
Lukin on 'Adequate' Response To NATO Expansion *[INTERFAX]* 26
Rybkin Spokesman's Account of Aid Cargo Disputed *[SEGODNYA 11 May]* 27
'Serious Concern' Expressed at PRC Border Incident *[ITAR-TASS]* 27
Kokoshin, Kolesnikov Meet UK Defense Official *[KRASNAYA ZVEZDA 11 May]* 28
'Fruitful' Talks With Serbian, Yugoslav Leaders *[ITAR-TASS]* 28
Commander in Croatia: Redeployment Could Be 'Fatal' *[ITAR-TASS]* 28
Azerbaijan's Mutalibov Detained as Caucasian National *[ITAR-TASS]* 29
    Azerbaijan Seeks Extradition *[ITAR-TASS]* 29
    Mutalibov Rejects Deportation Statement *[Moscow NTV]* 30
Customs Chief Cited on Customs Union *[ROSSIYSKAYA GAZETA 5 May]* 30

RUSSIA NATIONAL AFFAIRS

Political Issues

Chernomyrdin Denies Presidential Aspirations *[IZVESTIYA 11 May]* 32
Chernomyrdin Bloc Formed in St. Petersburg *[SMENA 6 May]* 32
Industrial Party Offers 'Pragmatic' Policy *[TRUD 6 May]* 33
FSB Director Stepashin Interviewed on Chechnya *[INTERFAX]* 34
Enterprises Privy to State Secrets To Be Licensed *[ROSSIYSKAYA GAZETA 5 May]* 38
International Russian Mafia Termed 'Myth' *[SEGODNYA 28 Apr]* 38
Official on Crime Fighting Program Provisions *[ROSSIYSKAYA GAZETA 5 May]* 39

Media Issues

Newspaper Seen Resisting Financial Audit *[MOSKOVSKIYE NOVOSTI 7-14 May]* 40

Military, Nuclear & Space Issues

Grachev Effort To Take Over Arms Trade Viewed *[MOSKOVSK[illegible]E NOVOSTI 14 May]* 40
Intelligence Service on Nuclear Material Security *[INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY]* 41
Scientists Oppose START II Ratification *[SOVETSKAYA ROSSIYA 8 Apr]* 42

Federal Assembly

- Duma Rejects Motion To Discuss Iran Contract *[INTERFAX]* 48
- State Duma Adopts Decree on Deputy Ratios *[INTERFAX]* 49
- Duma Overrules Yeltsin Veto on Commodity Law *[INTERFAX]* 49
- Duma Demand 'Will Do Little' To End Sanctions *[ROSSIYSKAYA GAZETA 5 May]* 49

Regional Affairs

- Further Reportage on Situation in Chechnya 50
  - Remains of Pilot Returned *[ITAR-TASS]* 50
  - Chechen Commander: Actions To Continue *[Moscow NTV]* 50
  - Dudayev's Forces Said Shelling Troops *[ITAR-TASS]* 51
  - Press Center Reports on Fighting *[ITAR-TASS]* 51
  - TASS Updates Situation, Reaction *[ITAR-TASS]* 52
  - Seven Said Killed in Helicopter Attack *[AFP]* 52
  - No Russian Losses in Over 24 Hours *[INTERFAX]* 53
  - Border Troops Leave Chechnya *[Radio Rossii]* 53
  - Dudayev Criticizes World Leaders *[ITAR-TASS]* 53
  - Kuwaiti Paper Interviews Dudayev *[Kuwait AL-MUJTAMA' 14 Mar]* 53
  - Soskovets: Costs at R1.9 Trillion *[Moscow Radio]* 55
  - Call For Efforts in Rehabilitation *[ROSSIYSKIYE VESTI 11 May]* 55
- Tatar President Comments on Chernomyrdin Bloc *[KAZANSKIYE VEDOMOSTI 5 May]* 55
- Tatar State Council Members Elected *[KAZANSKIYE VEDOMOSTI 5 May]* 57
- Data on Kaliningrad Oblast Development in 1995 *[YANTARNYY KRAY 5 May]* 57
- Kaliningrad Free Trade Zone Problems Viewed *[KALININGRADSKAYA PRAVDA 5 May]* 60
- Deputy Premier Yegorov Meets Kuban Officials *[VOLNAYA KUBAN 11 Mar]* 61
- Deputy Premier Visits Volgograd, Kalmykia *[SELSKAYA ZHIZN 11 May]* 63
- Causes of Crisis in Maritime Area Examined *[ITAR-TASS]* 64
- Adygea Assembly Adopts Constitution *[VOLNAYA KUBAN 14 Mar]* 64
- Novosibirsk Poll Defines National 'Enemy' *[VECHERNIY NOVOSIBIRSK 4 May]* 65

Economic Issues

- Preparatory Work for New Budget Ordered *[ROSSIYSKAYA GAZETA 7 May]* 66
- Details of State Subsidies for Agriculture *[SELSKAYA ZHIZN 11 May]* 68
- 'Black Tuesday' Economic, Social Effect Viewed *[IZVESTIYA 11 May]* 70

UKRAINE

International Affairs

- Clinton Visit Previewed; Deemed 'Opportunity' *[UKRINFORM]* 72
  - Clinton To Meet Kuchma, Marchuk *[Kiev Radio]* 73
  - Talks To Center on Economic Reform *[INTELNEWS]* 73
  - Udovenko on Clinton Visit *[INTERFAX]* 74
- Accords Signed With U.S. on Aviation, Nuclear Safety *[UNIAN]* 74
- Udovenko's Trips to London, Paris Reviewed *[Kiev International]* 74
- Kuchma Suggests New Round of Talks With Russia *[INTERFAX]* 75
- Political Analyst Criticizes Pact With Russia *[VECHIRNIY KYYIV 4 May]* 75
- Moroz, German Official Review Economic Cooperation *[UNIAR]* 79
- Delegates To Take Part in OSCE Debate on Crimea *[INTERFAX]* 79

National Affairs

Kuchma Will Hold Referendum on Power *[INFOBANK]* ... 79
BSF Commander 'Demonstratively' Leaves Parade Early *[INTELNEWS]* ... 80
Poll: Crimean Residents See Crime Threat *[INTERFAX]* ... 80
Crimea SUPSOV Constitution Day Address *[KRYMSKIYE IZVESTIYA 6 May]* ... 80

Economic Issues

Kuchma Seeks Non-Inflationary Increase in Wages *[INTERFAX]* ... 81
Deputies Adopt 1995 Kharkov Oblast Budget *[SLOBIDSKYY KRAY 29 Apr]* ... 81

WESTERN REGION

Belarus

Lukashenka Meets Russian Delegation, Urges Unification *[RESPUBLIKA 6 May]* ... 84
Lukashenka Asks Poland Not To Rush Into NATO *[Minsk Radio]* ... 84
Opposition Deems Referendum 'Deception of People' *[BELAPAN]* ... 85
Opposition Demands Air Time on Referendum Eve *[BELAPAN]* ... 85

CENTRAL ASIA

Kazakhstan

Withdrawal of Nuclear Warheads Completed *[Moscow NTV]* ... 86
Nazarbayev Marks VE Day in Almaty Speeches *[INTERFAX]* ... 86
Embassy Counsellor: Russian Exodus Continues *[Moscow Radio]* ... 86
Police Net Almost 4,000 Guns in Crime War *[Almaty TV]* ... 86
Former Government Officials Under Arrest *[TRUD 25 Apr]* ... 87
Law and Order Campaign Results Announced *[PANORAMA]* ... 87
Problem Committee Officer on Atomic Energy *[KAZAKHSTANSKAYA PRAVDA 6 May]* ... 88

Kyrgyzstan

Victory Day Military Parade Held in Bishkek *[Bishkek TV]* ... 90
Official Explains Legal Writ Against Newspaper *[EKHO OSHA 29 May]* ... 90

Tajikistan

New Commander of Russian Border Troops Appointed *[ITAR-TASS]* ... 91
Minister: 30 Militants Arrested in Dushanbe *[INTERFAX]* ... 91
    Arrests Could Expose Other Terror Groups *[PRAVDA 11 May]* ... 91
Prices of Vegetable Oil, Milk Liberalized *[Dushanbe Radio]* ... 92

Turkmenistan

Trade, Cooperation Agreements Signed With Russia *[ROSSIYSKAYA GAZETA 5 May]* ... 92
Niyazov Issues Decree on Foreign Trade Contracts *[TURKMENSKAYA ISKRA 2 May]* ... 92
Land Reform Commission Reveals 'Shortcomings' *[VECHERNIY ASHGABAT 3 May]* ... 93

Uzbekistan

Karimov Visits Moscow for Victory Celebrations *[Tashkent Radio]* ... 93
Effects of Switch to Oil Exporter Weighed *[SEGODNYA 28 Apr]* ... 93

CAUCASUS

Armenia

President Returns From VE Celebrations in Moscow *[Yerevan International]* 95
Yeltsin Sends Message on Karabakh to Ter-Petrosyan *[Yerevan Radio]* 95
Karabakh Leader Addresses 'Liberation' Commemoration *[Yerevan International]* 95
Release of All Azerbaijani Prisoners Announced *[Yerevan Radio]* 96

Azerbaijan

Aliyev Returns From London, Paris, Moscow *[Baku TV]* 96
Government To Offer Paris Club Investment Projects *[INTERFAX]* 96

Georgia

UN Security Council To Prolong UN Mission Mandate *[ITAR-TASS]* 97
Parliamentary Special Commission Sets Disarmament Date *[ITAR-TASS]* 97
Government To Abolish Import Duties on Grain, Flour *[INTERFAX]* 97
Ioseliani: Shevardnadze Has Created Police State *[REZONANSI 4-5 May]* 97
Abkhaz Leader To Sign Memorandum on Federal Status *[IPRINDA]* 98
Azeri Oil Consortium Head Views Export Routes *[REZONANSI 2-3 May]* 98

BALTIC STATES

Estonia

Meri Views NATO, EU Membership, Russian Threat *[Helsinki Radio]* 101
Progress Reported in Russian Border Talks *[INTERFAX]* 101
Sweden Offers Help in Revamping Naval Base *[ITAR-TASS]* 102

Lithuania

Official on Russian NATO Expansion Inflexibility *[Vilnius International]* 102
Labor Party Leader Views Military Expansion *[INTERFAX]* 102
Saeima Adopts Laws on Party Finances *[Riga Radio]* 102

Further on Clinton Visit

Clinton, Yeltsin Reach 'Important Accords'

MM1105101695 Moscow ROSSIYSKIYE VESTI in Russian 11 May 95 p 1

[Report by Pavel Shinkarenko: "Important Accords Reached at Meeting Between Boris Yeltsin and Bill Clinton in the Kremlin"]

[FBIS Translated Text] Yesterday's conversation in the Kremlin was the seventh meeting between Boris Yeltsin and Bill Clinton. It lasted over four hours "one-on-one" and summed up the result of the discussion about the nature of Russian-U.S relations in the near future. "President Yeltsin and I had a very good meeting," Bill Clinton noted during a break in the talks. "We worked all morning."

Later, at the final news conference, the two countries' leaders summed up the substance of their talks. "Today we have talked about the future," Boris Yeltsin stated. "As a result of this dialogue the security of our peoples has been strengthened." This is specifically embodied in accords on a whole range of problems. The presidents agreed that Russia should have special relations with NATO. But first it will have to join the "Partnership for Peace" program. The two countries' continued work to reduce their nuclear potential and conventional weapons, and specifically to ratify the START II Treaty, will also serve to strengthen international security.

Another disputed question was also considered — that of Russian deliveries of equipment for nuclear electric power stations in Iran. After Bill Clinton had acquainted the Russian Federation president with Tehran's secret plans to develop nuclear weapons, Boris Yeltsin agreed to separate the military aspect from the Russian-Iranian contract in order to study it in detail. The "Gore-Chernomyrdin" commission has been instructed to make recommendations on this subject.

The two presidents also devoted their attention to problems regarding the evolution of European structures and specifically to the OSCE's [Organization on Security and Cooperation in Europe] prospects, as well as to progress in implementing the Economic Charter signed last year, international terrorism, and events in Chechnya. [This item is followed by a "Chronicle" report giving brief details of the presidents' previous six meetings]

Joint Statements Noted

LD1005213695 Moscow INTERFAX in English 1908 GMT 10 May 95

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) — Presidents Boris Yeltsin and Bill Clinton called for an indefinite extension of the Nuclear Nonproliferation Treaty [NPT] by the UN conference in New York. This is the substance of one of six joint statements made at the end of the summit in Moscow.

The statement emphasizes that the two countries will work for full implementation of the NPT. The two presidents recognized the importance of a responsible approach to transfer of nuclear materials, equipment and technologies and to training of nuclear engineers and scientists. They told the Working Group to evaluate the threats of nuclear weapon proliferation in various regions of the world and to suggest ways to respond to the threats. They also told the Chernomyrdin-Gore commission to work out a report on steps to be taken to ensure safety of nuclear materials.

Another statement says that Yeltsin welcomes the U.S. support for Russia's participation as a founder in multilateral talks on new international export controls over sales of weapons, sensitive products and dual-purpose technologies.

The statement also says that the U.S. president welcomed Russia's confirmation of its pledge undertaken at the September 1994 summit not to sign contracts or other deals on sales of weapons and related products to Iran.

The presidents told Russian Prime Minister Viktor Chernomyrdin and U.S. vice-President Albert Gore to work out an agreement on this when they meet in June.

In another joint statement the two presidents reaffirmed the commitment of their countries to nuclear disarmament and the desire to build confidence and improve the transparence and irreversibility of the nuclear reduction. They also reaffirmed the commitment to regularly exchange detailed data on total stores of nuclear warheads and fission materials and their safety.

Yeltsin and Clinton confirmed in a special statement their adherence to the ABM Treaty which they described as the cornerstone of strategic stability. The two presidents said that their countries must be able to develop and deploy efficient tactical ABM systems and that this activity should not lead to violation or circumvention of the ABM Treaty.

In a statement on European issues the presidents said that their common goal was a stable, safe, united and democratic Europe. They emphasized their resolution to cooperate closely to enable the peoples of the North Atlantic Region to enjoy the fruits of stability, justice and peace. The presidents agreed that integration of the whole of Europe through the setting up of mutually complementary institutions and relations which would prevent another division of Europe or confrontation is the central component of a lasting peace.

In a joint statement on economic issues the two presidents welcomed the significant progress made in the economic reforms in Russia and in mutual trade and investments since their previous meeting in Washington last September. The Russian president confirmed his firm commitments to the program of economic reforms in 1995, notably reduction of the budget deficit and other anti- inflationary steps, privatization, a comprehensive taxation reform, consolidation of a free market and integration in the world economy. Clinton reaffirmed the U.S. support of these steps.

The two presidents took note of closer cooperation between Russia and the leading industrial countries and emergence of a G8 group and expressed the hope that the Halifax summit next June will witness fruitful cooperation between the G7 and Russia. Clinton expressed strong support for Russia joining the World Trade Organization and the two president agreed to work jointly for that goal.

Yeltsin told Clinton that he had signed a decree making it possible to implement fully the framework agreement on oil and gas under which the U.S. exImBank will give a loan of $1.3 billion for approved projects and make $700 million available for the oil and gas industry. The two presidents also decided to step up the implementation of a $750 million financing agreement between the bank and the Russian Gazprom gas monopoly.

NATO Issue Said 'Key Theme'

LD1105151295 Moscow ITAR-TASS in English 1448 GMT 11 May 95

[By Vladimir Taranov]

[FBIS Transcribed Text] MOSCOW May 11 (Itar-Tass) — The NATO theme was one of the key themes at the summit in Moscow, spokesman for the Russian Foreign Ministry Grigoriy Karasin told a briefing on Thursday [11 May].

He said the theme is of obvious interest and importance to Russia and to the United States and also to other countries of Europe and the world. Russia has signed the "Partnership for Peace" programme. The Presidents of Russia and of the United States discussed a special bilateral programme of the partnership of Russia and NATO as a whole. There has indeed been a principled statement that Russia will soon be implementing this programme of direct interaction with NATO, Karasin said.

This separate programme needs not to be signed. It goes into effect given the consent of the sides. What is important is that the tonality of the news conference of the two presidents on Wednesday was very balanced. Both presidents emphasised the main idea that there is no need to skip stages where possible expansion of NATO is the point of the matter. There has been prolonged and painstaking work on the "Partnership for Peace" programme. The programme was signed by most member countries of the CIS and East European countries. When a programme is signed, it should be implemented. It is necessary to fill it with real contents and to see how it is operating. If this is assisted by direct influence also along NATO-Russia line, this will be better still, Karasin said.

After the passage of time it is necessary to verify how the programme functions and to ponder on whether it is necessary to expand NATO as a bloc, Karasin said. NATO members say this too. Karasin believes it was clearly stated that there is no need to be an a hurry, to skip stages. Haste in such matters can lead to a new split of Europe with unpredictable consequences to follow. Both the Russian and the American sides are well aware of this. This is why it was said at the news conference that both Presidents will resume discussing these matters at the meeting to be held in Halifax in June.

Agreement on 'Tactical' ABM Systems

MK1105093995 Moscow SEGODNYA in Russian 11 May 95 p 1

[Report by Pavel Felgengauer under the "Talks" rubric: "Agreement Reached on 'Defining' the Concept of a Tactical ABM. Accords on Nuclear Strategic Balance Have, on the Whole, Survived the Moscow Summit"]

[FBIS Translated Text] The United States plans to complete and deploy a "tactical" ABM [anti-ballistic missile] (of a theater of military operations — TMO) over the next few years. In Russia, many people think that such actions run counter to the ABM Treaty signed in 1972, which has been the basis for all subsequent agreement on missiles and nuclear arms. True, the ABM Treaty does not prohibit the creation of "tactical" systems, but it does not contain a clear definition of what this may mean. During his Moscow visit in April, U.S. Defense Secretary William Perry acknowledged to your SEGODNYA correspondent that "the text of the treaty is not quite clear."

Yesterday, however, the two sides managed to agree on a "joint statement on principles" regarding the creation of "tactical" ABM systems. The United States made considerable concessions, confirming that the ABM Treaty would not be called into question or revised. In response, Russia agreed to start negotiations to agree on specific technical parameters that would help distinguish "strategic" systems from "tactical" ones. Moscow appears to have believed that Washington will proceed with the deployment of TMO systems all the same and thought it advisable to attempt to limit strictly U.S. efforts if there is no possibility of stopping them altogether — all the more so since Russia itself will not have the funds to create a "tactical" ABM system over the next few years.

Along with the ABM Treaty, the presidents were to have discussed the Russian "Start" space rocket. On 29 March the "Start-2" carrier rocket fell into the ocean with an Israeli satellite on board. The rocket was partially manufactured from units of old "Topol" strategic missiles and, moreover, it started its flight along a fully ballistic trajectory instead of heading for outer space. For this reason, the Pentagon decided that all future "Start" rockets should be included in the Russian quota of carrier rockets under START-1 and, in addition, Russia should submit to the United States full telemetric information on the progress of each launch according to the START-1 protocol on test launches of ballistic missiles.

The Russian military would not release telemetric information on the unsuccessful launch, citing the lack of "a political decision." On Tuesday, THE WASHINGTON POST published an article (based on a leak) accusing Russia of breaching the START-1 Treaty. But in the general context of Russian-U.S. disagreements, this is evidently not the most burning issue. At any rate, on 10 May neither Foreign Ministry nor Defense Ministry officials knew whether the presidents managed to agree on anything. If the "Start" carrier is officially recognized as a combat ballistic missile, the project will have fairly slim chances of commercial success. This appears to be a real concern only for the designers and manufacturers of the "Start" rocket, however.

Joint Effort To Combat Terrorism

*LD1005174495 Moscow INTERFAX in English
1654 GMT 10 May 95*

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) — The Russian and American presidents have instructed their governments to draft a program of joint measures to combat terrorism, President Yeltsin told a press conference following his talks with U.S. President Bill Clinton on Wednesday [10 May].

Yeltsin said that "without joint action this evil (terrorism) cannot be done away with." "We need joint action, not discussions or conferences," he said.

He also noted that the problem of combating terrorism had become particularly acute in view of the recent terrorist act in Oklahoma City and massive poisoning with chemical agents in the Tokyo subway.

President Clinton said that although Moscow and Washington had not come to terms on specific measures to combat terrorism, such cooperation would be very useful.

Yeltsin: OSCE Delegates Approved for Chechnya

*LD1005173995 Moscow INTERFAX in English
1654 GMT 10 May 95*

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) — U.S. President Bill Clinton urged President Yeltsin to make cease-fire in Chechnya permanent. He expressed the opinion that the OSCE mechanisms should be used to solve this problem as soon as possible.

He told a press conference in Moscow on Wednesday [10 May] that the whole world was worried by civilian losses and the on-going fighting in Chechnya.

President Yeltsin said that in his opinion there were no combat operations in Chechnya, and that the Interior Ministry was carrying out operations to confiscate weapons from "small illegal groupings."

He said that the peaceful creative work was the most important thing now: buildings and communication systems were being restored and a Chechen government led by a Chechen worked in accordance with the Russian constitution. Preparations for elections are under way in this North Caucasian republic, he said.

Yeltsin said that Moscow had approved the OSCE's plans to send representatives to Chechnya and considered the Chechen conflict to be Russia's internal affair.

Yeltsin Hosts Dinner in Honor of Clinton

*LD1005210495 Moscow ITAR-TASS in English
2043 GMT 10 May 95*

[By Andrey Shtorkh; quotation marks as received]

[FBIS Transcribed Text] MOSCOW, May 10 (Itar-Tass) — "I regard your visit to Moscow as a gesture of respect for our present, which is not easy. Russia is going through many hardships, but our country remains loyal to the ideals of freedom," said Russian President Boris Yeltsin, proposing a toast in honor of President Bill Clinton and his wife at an official dinner given by the Russian president in the Palace of Facets in the Kremlin.

"I am sincerely glad that my friend Bill Clinton has come to Moscow on the VE-Day and shared the holiday with us, he paid his respects to the exploit of the Russian people and paid homage to those killed. The Russians appreciate this move and will never forget it," Yeltsin said.

"Half a century ago our soldiers believed that war was the last one and that the unity of the people in a common desire to attain peace will prevail over intolerance, the division of the people into friends and aliens, the dictate of the strong over the weak. Regrettably, this did not happen. Europe turned out to be split into blocs and an iron curtain was lowered for a long time. It was only after the collapse of the Berlin wall and the end of the cold war that a new epoch of hope began", Yeltsin said.

He expressed his wish that "our American guests bring home to the people of their country that the Russians did believe and continue to believe in their strength. We shall surmount difficulties and turn Russia into a prosperous country," the Russian president said.

Commenting on the Russo-U.S. talks which were held in the Kremlin today the Russian president noted that despite the fact that they were pressed for time the talks were rich in content and constructive and were held in a warm atmosphere. "Naturally, it is not easy to resolve some problems. Both Russia and the United States are countries which have their own experience and approaches. But it is important that we have a common goal of creating inseparable Europe free of demarcation lines. Bill Clinton and myself are firm supporters of constructive economic contacts in the international arena, supporters of global economy which does not remain within the boundaries of national states. The partnership between Russia and the United States has been working and I believe that it has a great future," Yeltsin said.

For his part, the U.S. President said that the United States wants Russia to be an open, growing and strong anchor of united Europe. He noted that with such a partner as Russia they can prevent war, fight terrorism, strengthen security and attain prosperity in the whole world.

Commenting on the celebrations of the 50th anniversary of the Victory over fascism Clinton said that it was a common victory, although Russia has made a special contribution to it. In memory of the generation which has won the war we must continue the cause for which they sacrificed so many lives. We must keep the promise which we have failed to keep in due time that Russia and the United States develop partnership for many years to come. It should be the kind of partnership which recognizes mutual interests, respects differences and works for our mutual benefit, the U.S. President said. Clinton reminded of the fact that over recent years he had cooperated with Boris Yeltsin in the creation of such partnership. This work has already yielded its results — our missiles are no longer targeted at cities and the people of our countries, we have eliminated thousands of nuclear weapons, prevented nuclear proliferation and pooled efforts to attain peace in Middle East and fight organized crime. Addressing the Russian president Clinton said that the United States realizes that the road of reforms is long and difficult, and it cannot be walked within one day, but the spirit of the Russian people will guide you along this road like it has guided you through the Great War.

Gaydar Thanks Clinton for Decision To Visit

LD1105102995 Moscow ITAR-TASS in English
0957 GMT 11 May 95

[By Pavel Vanichkin]

[FBIS Transcribed Text] Moscow May 11 (Itar-Tass) — Yegor Gaydar, the architect of Russian reforms and the leader of the Democratic Russia's Choice party, thanked US President Bill Clinton Thursday for his "correct and courageous" decision to come to Moscow for VE-day celebrations despite the war in Chechnya.

"I expressed my understanding of how difficult it was for the US President to decide on coming to Moscow in conditions of the continuing war in Chechnya. At the same time, I believe it was a correct and courageous deed because the events of May 9 have nothing in common with current Russian authorities and politics", Gaydar told Tass after a meeting with Clinton adding that "on May 9 we paid tribute to millions of our fathers and grandfathers who defended the country from the most horrible threat".

Gaydar also said that he informed Clinton about "growing stand-off tendencies which are very dangerous for Russia and, unfortunately, get a response in confrontation tendencies in the USA".

"In Russia and the United States there are many people who would like to revive the stereotypes of the 'cold war'. It is thus more convenient for them, and also easier to make money from the arms race", Gaydar stressed.

"However, it is long-term allied relations that meet our common interests", he added.

Yavlinskiy Tells Clinton: No Genuine Democracy

LD1105103895 Moscow ITAR-TASS in English
1017 GMT 11 May 95

[By Pavel Vanichkin]

[FBIS Transcribed Text] Moscow May 11 (Itar-Tass) — Russian reformist and leader of the Yabloko parliamentary faction Grigoriy Yavlinskiy told US President Bill Clinton Thursday that there was no genuine democracy in Russia so far and expressed concern over the possibility that authorities may try and turn election results to their advantage.

"I told the US President that democracy exists in our country only by a half today. The press can speak about anything it wants, people can freely express their opinions, but authorities do what they want. In other words, we have no connection between the public opinion and the actions of authorities", Yavlinskiy told Tass after a meeting with Clinton.

The way out is through democratic elections, but Yavlinskiy fears they can be held in the Soviet-era way.

He told the US President that the very holding of elections is not that important as it is believed in the West. "It is more important whether they are just and democratic", he said adding that, in his impression, the statement made Clinton ponder over it.

"I recalled that elections were held in Russia in the '30s, '40s, '60s and '70s. However, for us it is more important to avoid the notorious formula of (Joseph) Stalin: it is not important who wins, it is important who counts the votes".

Zyuganov Talks to Clinton About Chechnya Situation

LD1105114095 Moscow ITAR-TASS in English 1031 GMT 11 May 95

[By Pavel Vanichkin]

[FBIS Transcribed Text] Moscow May 11 (Itar-Tass) — Russian Communist leader Gennadiy Zyuganov told US President Bill Clinton Thursday that there is no military solution to the Chechen crisis and hopes the President has a better understanding of Russian developments after a meeting with a wide spectrum of political leaders.

"I believe it is more clear for the US President now of what is happening in Russia", he told Tass after the meeting.

"The talk was about Chechnya, in particular. (Ingushi President) Ruslan Aushev called for a political dialogue. We share and will back this point of view as it is impossible to solve the Chechen problem by a military way", Zyuganov said.

Commentary

PRAVDA Terms Summit 'Worst-Prepared' Ever

MM1105083395 Moscow PRAVDA in Russian 11 May 95 p 3

[Report by Pavel Bogomolov: "Moscow Is Warned.... THE TIMES on the Meeting of Boris Yeltsin and Bill Clinton"]

[FBIS Translated Text] London, 10 May — The British newspaper THE TIMES calls the present dialogue between the presidents of the Russian Federation and the United States the worst-prepared in the entire postwar history of relations between the Kremlin and the White House.

Neither consultations between the leaders of the two countries' diplomatic departments nor telephone calls and letters between the heads of state themselves laid any prior ground on the eve of the summit meeting. Even the London talks between U.S. Vice President A. Gore and Russian Premier V. Chernomyrdin took place virtually without producing a result, although the Americans had pinned certain hopes on them.

So, there are no ready-made "conciliatory drafts" either with regard to plans for East Europe to join NATO, or with regard to the sale of Russian nuclear reactors to Iran, or with regard to a settlement of the situation in Chechnya. Consequently, it all now boils down to "personal diplomacy" and the ability of the two participants in the dialogue to influence each other with some fresh, psychologically faultless arguments. This is a highly risky task for B. Clinton — he has already been subjected to a fair bit of unpleasantness over his intention to celebrate the 50th anniversary of victory not in London but in Moscow and, moreover, at the time of the North Caucasus drama, which has dragged on most inopportunely.

The guest from across the ocean simply cannot give in to the Kremlin — the Republicans, who have gotten control of Washington's Capitol, do not understand the point of compromise in favor of weakened Russia, whose economy today is barely comparable with Brazil's in terms of production volumes, while its armed forces have gotten bogged down in a small mountainous republic. N. Gingrich, the new speaker of Congress, bluntly told the administration head: "The purpose of your trip to Moscow is certainly not to make Yeltsin happy."

In the opinion of THE TIMES, the fate of the long-suffering deal to supply Russian nuclear technology to Tehran is the acutest issue, and one which brooks no delay. In order to speak with greater authority on this topic, on 30 April Clinton curtailed all U.S.-Iranian trade.

Admittedly, B. Yeltsin possesses some counterarguments in this regard. He can perfectly well declare that the Russian defense industry, which is being stifled by lack of money, is in desperate need of hard currency. He can even accuse Washington of trying to monopolize the world market in modern technologies or add that the Americans themselves intend to sell analogous nuclear reactors to the DPRK. Nor is anyone preventing the Russian Federation president from complaining that, in the event of the deal being wrecked, he will be subjected to a massive attack by nationalist forces.

All this is so, but the cost of defending such a position would be truly tremendous for the Kremlin. It would not only gain a reputation as a "nuclear supplier" to the Unites States' worst enemy in the Middle East but would also almost certainly be deprived of further aid from the White House and international financial organs. Moreover, NATO's urgent expansion to the east of the continent would at once become for the Americans a matter that has been decided once and for all.

Media Fail in 'Objective Coverage' of VE Day

MM1105084595 Moscow PRAVDA in Russian 11 May 95 p 1

[Report by Communist Party of the Russian Federation Central Committee Press Center: "Total Control of the Mass Media"]

[FBIS Translated Text] The authorities' attempts to channel the victory festival in a semiofficial direction suffered an obvious failure.

It became clear what the authorities actually feared most: Up to half a million people participated in the procession organized by the Communist Party of the Russian Federation and other opposition forces. Tens of thousands of people standing on the sidewalks greeted the columns throughout the route.

The passing of the festive columns was covered by a large number of representatives of the press. But surprise and indignation cannot fail to be aroused by the fact that even on this day, which is sacred to all Russians, political passions and total control of the press prevented journalists from providing objective coverage of what was happening. Thus, almost all the central and Moscow television and radio news programs were competing, as it were, to understate the number of marchers. The record was broken by the democratic radio station Ekho Moskvy, which reported that just 10,000 opposition members had gathered.

This festival showed that the traditions of unity and cohesion are alive in the people, as is pride in their motherland and respect for those who defended it in a most terrible war.

It demonstrated the authorities' growing alienation from the people, however hard these authorities endeavor to prove the reverse to their foreign patrons.

In addition, it was perfectly clear that control of the mass media — direct or indirect — has reached such a dangerous level that steadily growing doubts are aroused about the likelihood of honest and unbiased coverage of the course and results of the upcoming elections.

Melor Sturua on Clinton Visit, Media Circus

MM1005160195 Moscow IZVESTIYA in Russian 11 May 95 pp 1-2

[Article by Melor Sturua: "Under the Same Roof as the U.S. President"]

[FBIS Translated Text] Have you ever had occasion to spend the night under the same roof as the U.S. President? On 9 and 10 May I had this satisfaction. Furthermore, my room was underneath the presidential suite, and I could hear, or thought I could, President Bill Clinton pacing up and down pondering his conversations with President Boris Yeltsin. A fearful person with a professionally developed imagination, I could sense the uncomfortable closeness of the famous "nuclear attache case," which is as inseparable from the President as his shadow and the adjutant — a United States Air Force officer — appointed to look after the attache case. Of course, Russian and American intercontinental missiles are now no longer targeted on the cities of our two states, but the attache cases have still not been put into permanent storage.

During President Clinton's presence in Moscow the address of the White House has changed temporarily. It is no longer 1600 Pennsylvania Avenue, Washington, but 2 Berezhkovskaya Embankment, Moscow. This is the address of the Radisson-Slavyanskaya Hotel, which

Clinton chose for a second time as his Moscow residence. The Radisson-Slavyanskaya is the only American hotel in Moscow. And Clinton's choice is totally patriotic.

The transformation of the hotel into a visiting White House is astonishing. Even the details are identical. Police posts have been set up in the corridors. The policemen wear not the normal silver badges but gold ones. These are White House police. The hotel is crammed with secret servicemen, who are themselves crammed with the most sophisticated portable equipment. Staffers of our security services have also been slipped in among them. But the Americans are more solid and burly. Our guys are distinguished by some kind of what you might call Communist Youth Leaguer weediness.

The journalist corps accredited to the White House has also arrived here in full force. This is the pushiest and most professional, the most aggressive and most informed, the rudest and most effective, the most impressive and loud-mouthed elite of American journalism.

The writing fraternity have been housed in the "Composers' Room" and the television people in the so-called "writer's rooms" — NBC in the "Tolstoy Room," ABC in the "Pushkin Room," and CBS in the "Chekhov Room." Overall, it's like something out of Dostoyevski. (There's no "Dostoyevski Room" here, incidentally). There is another explanation for CBS' presence in the "Chekhov room." The company is in bad shape. There are constant rumors that it is about to be sold. It's exactly like Chekhov's "Cherry Orchard" — a world of bankrupt estates. When I put this to my CBS colleagues they were clearly offended. When your livelihood is under threat your sense of humor generally abandons you.

A possible purchaser for CBS is the millionaire Ted Turner, owner of CNN. CNN has spread its electronic tents in three whole halls with "For Conferences" signs. Its cords, like lianas or Laocoon's serpents, are gradually twining around the three rivals.

In addition to their stars — presenters and commentators — all the television companies have also brought consultants — well-known Kremlinologists. More for gravitas than for use. Their services are going virtually unused, and their television appearances are measured in seconds. All this looks over the top. The Kremlinologists feel like fish out of water. They have been well paid but humiliated. "Television news is strictly wrapped and packaged. There's nothing to do here," one of the consultants, Professor Legvold, complained to me.

President Clinton is completely sincerely and humanly moved by the way we are celebrating the 50th anniversary of Victory. Tears often comes to his and his wife Hillary's eyes. And although politics is a tough trade, there's no way you can describe them as crocodile tears. Such, in any case, are my observations. And I have seen the Clintons close up and even offered them a book on Moscow's contribution to the victory over Hitlerism.

But it is one thing to pay tribute to those who died in the battle against fascism, and quite another to negotiate. When it comes to this the easily moved U.S. President is as hard as nails. Never before have the Russian White House and its U.S. counterpart been as geographically close to each other. They are separated only by the narrow strip of the Moskva River. But there are much wider and deeper barriers between them in political terms.

During Clinton's last visit to Moscow the "Boris and Bill duet" sounded more harmonious. At that time I visited his luxury suite. It looked extremely depressing: a small iceoox, uncomfortable Yugoslav furniture, inadequate mattresses and towels, and rather primitive plumbing. Now these suites have been radically improved and brought up to five-star condition. But the comfort of the hotel is inversely proportional to the comfort of the political atmosphere. You cannot help recalling the famous Parkinson's Law.

Both sides are to blame for this. In its foreign policy Russia is veering from side to side, harried by economic troubles and internal strife. Washington is making an unduly frank attempt to take advantage of our weaknesses in order to ensure and enshrine its own dominant position. This is not to our taste even when it is objectively justified and even advantageous. I will cite an example by way of explanation. By the elevators on each floor of the Radisson-Slavyanskaya there are secret service and White House police guard posts. Anybody entering is subjected to an extremely rigorous electronic check and search. I go through this procedure several times a day. If a friend or relative visits me, they are not only searched, but escorted to the door of my room and left there only after I have "identified" the visitor. So I am absolutely secure round the clock. But for some reason I am troubled by this, I feel awkward and uncomfortable. Contrary to common sense, I get the feeling that "homegrown danger" is preferable to exported security, verging upon patronization. I think our diplomats feel the same way when they are discussing security problems in Europe, nuclear security, and so on with the Americans.

In the late evening, when their boss has retired, the young White House staffers gather around the bar in the hotel lobby, relax, play piano, sing, and have fun until well after midnight. But early next morning, as if nothing had happened, clean and smart, they look their boss devotedly in the eye, ready to do his bidding. Well, that's youth for you!

Summit Seen as Producing 'Some Compromises'

MK1105091895 Moscow KOMMERSANT-DAILY in Russian 11 May 95 p 1

[Report by Andrey Smirnov: "They Have Nearly Reached the Limit...."]

[FBIS Translated Excerpt] It is not easy to shift from holidays to weekdays — and not just for the man in the street. On 9 May in Moscow during the celebration of the 50th anniversary of V- Day, the presidents of Russia and the United States uttered more than a few words about the importance of the cooperation between the two countries during the war years, which is called upon to serve as an example for the present as well. The festivities ended, however, while problems remained. Virtually the whole of yesterday was devoted to their discussion. Most observers believe that the negotiations in the Kremlin were strained. This is confirmed by their length: Instead of the scheduled one hour, the one-to-one talk between Bill Clinton and Boris Yeltsin lasted more than four hours. Some compromises were reached nonetheless — primarily on nuclear cooperation between Russia and Iran. [passage omitted]

Yeltsin's statement about the nuclear deal with Iran at a press conference after the meeting with Clinton cannot be described as anything but sensational: Agreement was reached to separate the "peaceful" and the "military" parts of the Russian-Iranian contract. Yeltsin's statement came as a revelation even to the Russian Nuclear Power Ministry, which has handled the contract. A ministry spokesman told KOMMERSANT-DAILY's correspondent that they have heard nothing about the "military" component of the contract. Common sense suggests that the military-nuclear character of cooperation with Iran not only contradicts Russia's international obligations, but also runs counter to its security interests: Tehran supports not only Islamic terrorists in the Middle East, but also Afghan mujahidin who are currently intensifying their activity on the border with Tajikistan. Moreover, foreign mercenaries and weapons for Chechnya are apparently coming from Iran. It is not accidental that the Russian Ministry of Foreign Affairs never tires of drawing Baku's attention to the "transparency" of the Azerbaijani-Iranian border. Even so, according to Yeltsin, it was decided to exclude from the contract "matters pertaining to the military part: the possibility of creating weapons grade fuel, delivering the centrifuge, and building (missile — KOMMERSANT-DAILY) silos." It is not clear, though, how all these points of the contract relate to impassioned protestations by Russian officials about the purely peaceful character of the project. [passage omitted]

The presidents also discussed the issue of Chechnya. The U.S. State Department, not afraid of spoiling the Russian president's mood, chose Victory Day to come out with a statement about events in the village of Samashki. According to State Department Spokesperson Christine Shelley, "human rights were trampled upon in Samashki." True, Clinton was not so categorical, expressing the hope that the cease-fire in Chechnya, announced by Moscow for the duration of the festivities, will become permanent. Yeltsin for his part gave the assurance that there is nothing to worry about: There are no military actions in Chechnya, while Ministry of Internal Affairs troops are disarming "small bandit groupings." [passage omitted]

Summit Seen Short on Progress, Long on Face-Saving

MK1105113195 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 11 May 95 pp 1, 2

[Report by "S.A.": "Not a Step Forward! We May Be Friends, But I Don't Want To Hear About Your NATO All the Same"]

[FBIS Translated Text] Presidents Yeltsin and Clinton emerged from yesterday's talks for a joint news conference looking like two gloomy owls. The schedule for the meeting was broken completely. Instead of several rounds of talks including experts and entourage, only a one-on-one meeting took place, even if it did last four hours. After his childish joy caused by his impressions at the mausoleum, Boris Nikolayevich's despondent mood was particularly striking. Small wonder — for all his love for his friend Bill, he had to displease his American guest. The Americans could not achieve even half of what they might have expected on any of the problems under discussion.

The American guest had all the more reason to feel blue. Giving in to Yeltsin's admonitions and coming to Moscow during the Kremlin's reckless Chechen adventure, he had the right to expect ample compensation — say, Moscow's cancellation of its delivery of nuclear reactors to Tehran; an ample and deserving result that would enable him to justify his visit to the Russian capital upon his return home. No ample compensation came of it. What there was was just a small bone, a consolation prize.

Or, rather, two bones. After a six-month delay Russia finally agreed to join the "Partnership for Peace" program. And the second one — Yeltsin admitted that the contract to deliver equipment for an Iranian nuclear power plant contained fairly serious loopholes, which could potentially give Iran the key to a nuclear bomb. That is, the deal will go ahead, but the "military aspect" will be thrown out of it in a mysterious manner.

With a certain measure of diligence, these small concessions may help Clinton escape the legitimate ire of hostile Republican lawmakers — but this is unlikely. The key contentious matters on which progress could be expected were left unresolved. Moreover, they remain unresolved in a shape that is most advantageous for Russia.

NATO. Despite all attempts at persuasion, Yeltsin did not cave in to the insistent admonitions of the West and did not give the East European countries the go-ahead to join the alliance. Moreover, he managed to wrest from Clinton a promise that, under any definitive scenario of NATO's expansion, no security interests of any interested party (that is, Russia, among others) may be violated. Meanwhile, the general situation on the continent should even improve. This is beautiful phrasing on which Russia may demagogically play as long as it wishes so as to prevent its former enemies from coming closer to its borders.

Iran. Russia will forgo the delivery of centrifuges that can be used to enrich uranium so as to make it weapons-grade. The contract (contracts) itself remains in force.

Generally speaking, "the security of our two peoples has been significantly enhanced," as comrade Clinton wittily quipped. This isn't apparent on paper, but be that as it may, the great friendship remains firm and unshakeable.

Clinton-Yeltsin Talks 'Bring No Surprises'

MM1105083295 Moscow KOMSOMOLSKAYA PRAVDA in Russian 11 May 95 pp 1, 2

[Report by Nikolay Dolgopolov, Ravil Zaripov, and Stanislav Kucher: "Presidents Spoke Confidentially for a Long Time. And All To No Avail...."]

[FBIS Translated Text] Bill Clinton's visit to Moscow which ended today was officially described as a "working" visit. Many people in the West and in Russia ask: Does this mean that the visit would not have taken place had it not been for the 50th anniversary of the victory? "Clinton's visit to Russia was used both to take part in the celebrations and to visit Moscow and talk. But there was a need for this visit," we were told by Dmitriy Ryurikov, the Russian president's aide for international affairs. Clinton himself, in his brief speech to Russian veterans, also commented that he had come to Moscow instead of going to the celebrations in Britain so as to pay his respects to the Russian people, rather than to do President Yeltsin a favor.

The Moscow talks between Bill Clinton and Boris Yeltsin did not take four hours as planned but six. The forecasts made by political scientists, who claimed the day before that the visit would bring no surprises, came true 100 percent. The three main topics that the presidents touched on during the meeting were the situation in Chechnya, Russian-Iranian nuclear cooperation, and the question of NATO's eastward expansion.

With regard to Chechnya Clinton voiced the hope that combat operations there would "cease as soon as possible." Yeltsin in turn gave assurances that he would do everything for that to happen. Clinton said that NATO has no intention of speeding up its eastward expansion and Yeltsin emphasized that this is gratifying and that "it is important to take mutual interests into consideration on this issue." Thus both leaders decided not to sign the statement on Russian-NATO cooperation right now. The only question on which a relatively specific decision was adopted was that of Russia's trading relations with Iran. Boris Yeltsin once again said that he is listening to the U.S. side's arguments against the Russian-Iranian deal, but Russia has no intention of suspending its cooperation with Iran under IAEA [International Atomic Energy Agency] supervision. The president decided to hand the contentious issue over to the "Gore-Chernomyrdin" commission for consideration.

...Many Russians were worried by the following question: How did the Russian and U.S. leaders look during their meeting in Moscow? Boris Nikolayevich as usual looked natural and relaxed. But Bill.... Half an hour before the veterans' parade on Red Square one of us, an "ordinary accredited" [journalist], accidentally found himself in a cordoned-off area next to the U.S. President. Bill and his wife were standing totally inert waiting for the event to start. Your KOMSOMOLSKAYA PRAVDA journalist was struck by details in the appearance of the "sweet couple": He could not have imagined that Hillary Clinton wore so much makeup. She had a thick layer of powder on her nice face. And the president himself, as it transpired, is no stranger to cosmetics: Bill's face was slightly embellished by a skillful cosmetics specialist. When asked the banal question "How do you like our country?" Clinton gave the equally banal response that, of course, he liked it in our country and that by and large "everything is OK." After which our correspondent was resolutely removed from where he should not have been by the presidential guard.

Presidents Preserve 'Spirit of Partnership'

MM1105153695 Moscow ROSSIYSKAYA GAZETA in Russian 12 May 95 First Edition p 1

[Article by Vladimir Kuznechevskiy: "All The Same, Agreement Was Reached. The Presidents of Russia and the United States Managed To Preserve the Spirit of Partnership"]

[FBIS Translated Text] The tired faces that Boris Yeltsin and Bill Clinton presented to journalists at the press conference after the end of four hours of virtually uninterrupted dialogue (although a far less intensive timetable was originally proposed for the meeting, with breaks and with the participation of experts) attested not only to the complexity of the actual problems under discussion, but also to the tough work of trying to find solutions. Nonetheless solutions — albeit sometimes of a palliative nature — were found by the two countries' presidents. Clinton and Yeltsin managed to preserve the spirit of partnership between our countries, rather than allowing the spirit of confrontation to prevail.

On the eve of the meeting the differences in the positions on the most important problems appeared not merely enormous — they looked insuperable. Many people in the U.S. Congress were insisting that Clinton should abandon the trip to Moscow entirely, while quite a number of State Duma deputies accused Yeltsin, on the eve of the meeting, of nothing less than the betrayal of Russia's national interests.

In effect, legislators on both sides of the ocean were demanding that their highest executive authority turn the atmosphere of partnership between our countries into a relationship of confrontation.

Thus the Republican majority in the U.S. Congress demanded that Clinton adopt, in effect, a footing of diplomatic extremism in relations with Moscow. At least on four points: the situation in Chechnya, the Russian-Iranian nuclear deal, the problem of NATO's expansion to Russia's borders, and the question of flank limitations on armed forces enshrined in previous treaties (on coming up against Dudayev's attempt to destroy the unity of the Russian Federation, the Russian leadership found itself faced with the need to deploy an army formation in Chechnya on a permanent basis, which was contrary to Moscow's commitments under the START II Treaty).

Admittedly, it should be noted that the American press and U.S. public opinion in general showed far more tolerance both toward their president and toward the problem of the two countries' relationship. This was rather a restraining factor on the Congress' position, and I believe that it was here that Clinton found support for his decision to come to Moscow.

The situation was rather different in Russia, but no easier for Yeltsin. The Moscow democratic press was, frankly, crowing about an impasse in Russian-U.S. relations from which, supposedly, there is no way out. These were the conditions in which on 10 May the two presidents found themselves eyeball to eyeball over the conference table. It looked as if the logic of events would mean that it would not be possible to adopt a single joint document in that situation (incidentally, the American side had prepared the text of an individual, separate statement for the U.S. President for that eventuality). Thank heavens, however, that did not happen.

Six joint statements were adopted (see ROSSIYSKAYA GAZETA for 11 May) and an accord was reached on accelerating Russia's admission to the system of international economic institutions.

The U.S. President again expressed his concern about the violation of the civilian population's rights in Chechnya, but at the same time he let it be known most unequivocally that Russian-U.S. relations will not be put at risk because of Chechnya, still less because of Dudayev and his entourage.

On something that is a very sensitive matter for us — the question of flank limitations of troops, and in particular the deployment of an army grouping in Chechnya — B. Clinton displayed a complete understanding of Russia's state interests, stating that a review of flank limitations is possible, except that first the earlier, 1990, accords must be ratified.

On the most pressing question, the Russian-Iranian nuclear deal, B. Yeltsin gave a firm promise that Russia will not deliver to Iran those components of nuclear technology that could be used for the extraction of weapons-grade plutonium. The nuclear reactors for the construction of a peaceful nuclear power station will, however, be supplied to Iran — that is, the deal is not being broken. However, even here Yeltsin declined to adopt an ultra-hard-line, intransigent position, and agreed to hand over the matter to a commission headed by U.S. Vice President Albert Gore and Russian Federation Government Chairman Victor Chernomyrdin for further consideration.

The only thing the presidents could not reach agreement on was the question of the expansion of NATO to include the East European countries. The Russian side adhered to its previous position (the undesirability of the North Atlantic Alliance reaching the Russian Federation's borders), and the American side likewise. However, even here the presidents found a compromise formula. B. Yeltsin agreed (lifting his earlier objections) to join the NATO "Partnership for Peace" program, and the U.S. President, in turn, assured his partner in the talks that the United States will not seek to push through NATO's eastward expansion, will further study all Moscow's arguments on this contentious issue, and will not embark on the expansion of the North Atlantic Alliance without taking Russia's interests into account.

In short, the Russian and U.S. presidents, contrary to predictions, managed to find ways out of a situation that many people had believed to be an impasse. The two countries' highest executive authorities also demonstrated the highest wisdom, unlike their legislators, one may say.

Gorbachev Comments on Clinton-Yeltsin Summit

BR1005144795 Paris LE MONDE in French
10 May 95 p 20

[Article by former Soviet President Mikhail Gorbachev: "Difficult Clinton-Yeltsin Summit"]

[FBIS Translated Text] On 9 May the Russian capital will be the venue for one of the most representative gatherings of heads of state and government of the 20th century. As everyone knows, attendance at this meeting has been the subject of lengthy discussions and many uncertainties. But eventually most Western governments decided to send their most senior representatives there. And this was a good decision, motivated by the praiseworthy ambition to display respect and gratitude to the Russians, and recognition for the crucial contribution made by the peoples of the Soviet Union to the victory over German fascism. Furthermore, if the Western heads of state and government had decided otherwise, the response of world opinion would certainly have been negative, especially in Russia. This would surely have strengthened the feeling of mistrust toward the West — which has already increased, even without that — and would have strengthened the arguments of the most extremist nationalist forces.

But, while acknowledging that in a given situation it is right and essential to be in Moscow, we must not fail to mention the fact that for each of the Western leaders — and especially for the u.s. President — their presence in Russia is, I would say, connected with a number of difficult situations. First, because the unconditional support granted by Bill Clinton to Boris Yeltsin in practice limits his ability to form an objective and thorough assessment of the policy that he has chosen with respect to Russia. But also because it is impossible for him to close his eyes to everything that is going on — the war in Chechnya, the real failure of the economic reform, the stagnation and even regression of democracy under the pressure of authoritarianism.

Bill Clinton's arrival for the commemorative celebration coincides with his official visit to Moscow as chief of state, which prohibits him from avoiding the thorny issues that will not fail to emphasize the conflicting interests of Russia and the United States — the enlargement of NATO's borders, the supply of nuclear reactors to Iran, competition in the field of arms sales, and Russia's relations with the new states of the former USSR.

In other words, the meeting of the two presidents is not of the easiest. If Boris Yeltsin leads people to believe that the U.S. President's attendance constitutes approval of his policy and that in the coming elections he is "Clinton's man," this is unlikely to help Bill Clinton's popularity among the Russian peoples: on the contrary. This is natural and right. No Russian, of whatever leaning, wants a foreigner to dictate to him which president he should choose, albeit indirectly.

It is important for Bill Clinton to keep in mind that any interference in Russian internal affairs, however difficult they may be, cannot fail to prompt a negative response in Russia, internationally, and also, I hope, among the U.S. public.

So, I repeat, the meeting between the two presidents is particularly full of political significance and is complicated by the commemorative aspect of the visit. In order not to violate democratic principles, while still showing respect for the Russian public, Bill Clinton will probably reaffirm his official position of U.S. support for the evolution of democracy in Russia and will cite the need to honor the constitutional deadlines for elections to the Duma and the presidency.

It will not be easy for Bill Clinton to implement the plans that his advisers have announced: To meet with politicians on the other side from President Yeltsin in order to form a clearer picture of Russia's present political panorama and in some way to establish his neutrality. This, because, even disregarding Boris Yeltsin's response to such an initiative (we would recall the episode of Richard Nixon's meeting with Aleksandr Rutskoi in Moscow,) in general terms such an intention would not fail to cause problems. There are already at least a dozen politicians who have declared themselves potential presidential candidates. Should he meet with only some of them and ignore the rest? And if so, on the basis of which criteria should he make his choice? And how might this influence the electoral campaign? Should he meet with each one separately? This is unlikely to be possible for practical reasons. Or should he meet with them all together, for instance, buy inviting them to lunch? But that would be merely a diplomatic spectacle, empty of substance, and would provide grounds for the most conflicting kinds of journalistic speculation.

The most important thing will be the personal meetings between Bill Clinton and Boris Yeltsin. It is then, I believe, that the debate on the different interests and the prospects for Russian-U.S. relations will begin. I do not think that the differences made known could prove dramatic, still less tragic. The examination of the problems must be conducted with realism, without any personal emotions, with a full awareness of their significance and priorities. It would be inefficient to resort to tactics of pressures and ultimatums.

Let us consider, for instance, the issue of NATO's enlargement. As a reminder: When we discussed the German unification issue, within the "two-plus-four" context, we reached agreement (in top-level politics this is sometimes more important than a signature) on the fact that NATO would not be extended eastward. I can already hear the objection: That was at the time of the Soviet Union. Now Russia has no borders with Poland, Hungary or the Czech Republic — potential NATO members.

I would reply to this that there are various approaches to security issues. That adopted by the advocates of NATO's enlargement is the worst possible choice insofar as it fails to take account of Russia's public opinion or present interests. This approach sows suspicion in the process of building a common Europe. In the future this could degenerate into mistrust and tension. The first symptoms already exist. Russia has thus pointed out that article 12 regarding the agreement on conventional arms reduction in Europe stipulates that when countries change camp, the agreement must be revised.

Who would benefit from such an approach, which would entail a chain of reactions that would destroy the agreements connected to the end of the Cold War and to the victory over the division of Europe and the world? There is another way to approach the creation of a European defense structure.

The controversy over the supply of nuclear reactors to Iran seems illusory. Iran has adhered to the nuclear weapons nonproliferation treaty and plans to submit its program to supervision by the International Nuclear Energy Authority. So why is America planning to install reactors in North Korea, whose political regime is unpredictable, while at the same time ostracizing Iran? Is this a way for America to conquer the arms market? There is reason to wonder whether in this situation there are two different standards — to the detriment of Russia's interests.

All this must be discussed frankly. I am not in a position to forecast whether the Russian and U.S. presidents will broach such discussions, but I believe that it is possible to reach a reasonable compromise. This will determine the future of Russian-U.S. relations and therefore the prospects for world peace policy and the stability of the international community. But it will also determine the U.S. President's ability to realistically assess his present position in relations with Russia, while taking account of all that is happening now, and his ability to resist the temptation to exploit Russia's current weakness to the sole advantage of the United States.

Other Events

Yeltsin Speech at 5 May Award Presentation

MM1005130695 Moscow ROSSIYSKAYA GAZETA in Russian 7 May 95 pp 1-2

[Speech by Russian President B.N. Yeltsin at 5 May Kremlin ceremony to present Orders of Zhukov to Great Patriotic War veterans: "First Holders" — passages within slantlines published in boldface]

[FBIS Translated Text] Dear friends!

Today, on the eve of the great victory anniversary, Russia's new order — **the order of Zhukov** — is being presented **for the first time** to eminent military leaders and heroes of battles in the Great Patriotic War. I believe that we will all remember this day.

The Great Patriotic War was a heroic, tragic, and **holy** page in our history. The struggle against a deadly dangerous enemy lasted four long and agonizingly hard years. There was no more cherished and desired goal than that of cleansing the motherland of the fascist occupiers.

We pay a tribute of profound respect to the heroism and selflessness of the fatherland's defenders. Surpassing themselves, our servicemen marched toward victory through a deadly squall of fire. They kept the oath that they took on leaving for the front. The enemy was smashed.

The war has departed into the past. But the memory of it does not fade with time. The immortal feat of the soldiers and commanders, the underground fighters and partisans, the working people in the rear, and all who ensured the routing of the Hitlerite hordes will never be forgotten. We shall always remember the tremendous efforts, the privations, and the sacrifices that were the price of the great victory.

Glory to the victors! Bright memories of the fallen!

St. George the Victor has from ancient times been considered the patron of the Russian Army. Here, in St. George's Hall — the hall of military glory — the names of holders of the St. George Cross are inscribed in gold letters on marble tablets.

Georgiy Konstantinovich Zhukov was also awarded two St. George Crosses for military valor and bravery on the fronts of World War I.

The name of Marshal Zhukov is dear to every citizen and patriot of Russia. It was one of the symbols of Russian military glory and is revered in our country along with the names of Aleksandr Nevskiy, Dmitriy Donskoy, Aleksandr Suvorov, Mikhail Kutuzov, and Pavel Nakhimov.

"Where Zhukov is, there is victory," people used to say on the fronts of the Great Patriotic War. In desperately difficult and even hopeless situations, when the country's fate hung by a thread, Georgiy Konstantinovich Zhukov assumed responsibility for the outcome of decisive battles. His courage and resoluteness brought the long-awaited victory.

The heroic defense of Leningrad, the victories in the battles for Moscow and Stalingrad and on the Orel-Kursk Bulge, the storming of Berlin — these were the glorious milestones of the Red Army's combat path. They were all marked by the commanding genius of our outstanding compatriot.

A new Russian order has been established in his memory. It is **a combat order for military leaders**. It is awarded to military leaders for services in elaborating and successfully carrying out **major combat operations in defense of the fatherland**.

Dear veterans! You fought together with Marshal Zhukov and brought the great victory closer. I believe that the Order of Zhukov will be particularly dear to you.

You earned this high award through military labor and can rightfully be proud of it!

On the eve of the great victory anniversary I cordially congratulate you on this festival.

The Order of Zhukov is presented to Colonel General Konstantin Nikolayevich Abramov. In 1939, as commander of a tank battalion, he participated in combat operations in the region of the Halhin Gol River under the command of Georgiy Konstantinovich Zhukov. He was awarded the title of Hero of the Soviet Union for skillful leadership of the battalion and for the courage and bravery shown.

During the period from April through December 1942 Konstantin Nikolayevich was in command of a tank brigade. He was gravely wounded in fighting on the Western Front 11-12 December 1942. After medical treatment he served in high command posts. Thanks to his energy and purposefulness and his selfless devotion to the motherland, Konstantin Nikolayevich invariably attained high results.

The Order of Zhukov is awarded to Major General Anatoliy Georgiyevich Afanasyev. He was a front-line soldier from the first days of the Great Patriotic War. He participated in the heroic defense of Leningrad. He displayed commanding skill and personal bravery in the battle on the Pulkovo Heights in January 1944. He was awarded the title of Hero of the Soviet Union.

The Order of Zhukov is presented to Hero of the Soviet Union Lieutenant General Gavriil Tarasovich Vasilenko. From May 1943 he commanded a rifle brigade and then a rifle division on the Western, Transcaucasus, North Caucasus, and First Belarusian Fronts. Under his command the division fought successfully to liberate the Kuban, the Taman Peninsula, and the Crimea. It was named the "Tamanskaya" Division for its military successes.

Subsequently Gavriil Tarasovich participated in the breaching of the enemy's defenses on the Vistula River and in the crossing of the Oder River.

The Order of Zhukov is presented to Marshal of Aviation Georgiy Vasilyevich Zimin. During the war he commanded an air regiment and then a fighter air division. His service record includes 163 combat sorties and dozens of air battles. He personally downed 13 enemy aircraft. For this he was awarded the title of Hero of the Soviet Union. Under the command of Georgiy Vasilyevich the air division successfully carried out combat operations to liberate cities in Belarus and the Baltic region.

After the war Marshal Zimin commanded an air army and was first deputy commander in chief of the Air Defense Forces. Being chief of the Military Command Academy of Air Defense, he devoted a lot of strength and energy to training and educating cadre officers.

The Order of Zhukov is presented to Hero of the Soviet Union Major General Kazbek Drisovich Karsanov. He commanded a battalion, a regiment, and then a mortar division on the Bryansk, Western, Stalingrad, Don, and Third Belarusian Fronts. He proved himself to be an enterprising, decisive, brave commander. His division participated in the breaching of the enemy's defenses near Orsha, in the liberation of the city of Koenigsberg, and in the defeat of the enemy in East Prussia.

After the war Kazbek Drisovich held high posts in the Army and made a great contribution to strengthening the country's defense capability and training command cadres.

The Order of Zhukov is awarded to Major General of Aviation Ivan Aleksandrovich Kochergin. In the war against militarist Japan the air division under his command set examples of courage and bravery and successfully fulfilled combat tasks. The division has to its credit destroyed enemy railroad trains and dumps.

Colonel Vasiliy Yakovlevich Kudryashov has become a holder of the Order of Zhukov. In 1943 the fighter air division under his command switched to the offensive as part of the front troops and made a weighty contribution to the liberation of the Caucasus. For successful actions in the operation to liberate West Ukraine the division was awarded the honorary name "Lvovskaya."

The Order of Zhukov is awarded to Hero of the Soviet Union Marshal of Armored Troops Oleg Aleksandrovich Losik. He fought on the Southwestern, Stalingrad, Don, and Third Belarusian Fronts. He participated in the Stalingrad, Smolensk, Belarusian, and East Prussian operations.

On 2 July 1944, during the Belarusian operation, his tank brigade broke the enemy's resistance and was one of the first to enter Minsk. Subsequently it fought successfully in the crossing of the Neman River and in the breaching of the defenses in East Prussia.

At the end of the war Oleg Aleksandrovich held high command posts in the Armed Forces and headed the Military Academy of Armored Troops.

The Order of Zhukov is presented to Hero of the Soviet Union Army General Nikolay Grigoryevich Lyashchenko. During the Great Patriotic War years he commanded a rifle division on the Southern, Volkhov, Leningrad, and Second Belarusian Fronts and participated in the defensive fighting for Leningrad and in the breaching of the Leningrad blockade on the main salient.

His division successfully engaged in offensive fighting in the region of the city of Tartu and in Poland. In all the operations it inflicted big losses in manpower and hardware on the enemy.

In peacetime Nikolay Grigoryevich commanded troops in a number of districts and did much to strengthen the Armed Forces.

The order of Zhukov is presented to Major General Stepan Vasilyevich Maksimovskiy. In preparing for and conducting the operation to liberate the Baltic region he proved himself to be a vigorous and enterprising commander. With his decisive and competent actions in directing the troops under his command he contributed to successfully fulfilling the combat mission.

In the postwar years he devoted much strength and energy to military patriotic work.

The Order of Zhukov is presented to Hero of the Soviet Union Army General Ivan Grigoryevich Pavlovskiy. He fought on the Southern, Transcaucasus, North Caucasus, First Ukrainian, and First Belarusian Fronts. A rifle division under his command participated in the crossing of the Western Bug and Vistula Rivers. The division operated successfully on the salient of the main strike during the liberation of Prague and Warsaw and in the Berlin operation.

After the defeat of fascist Germany Ivan Grigoryevich commanded military districts and was deputy minister of defense and commander in chief of Ground Forces.

The Order of Zhukov is presented to Lieutenant General Vasiliy Yakovlevich Petrenko. He fought on the Voronezh, Central, and First Ukrainian Fronts. He particularly distinguished himself in the crossing of the Dnieper River.

In September 1943 a division under his command crossed the river under enemy fire, seized a bridgehead, and held onto it until reinforcements arrived. For this operation Vasiliy Yakovlevich was awarded the title of Hero of the Soviet Union. Lt. Gen. Petrenko ended the war in the city of Prague.

At the end of the war he headed a department at the M.V. Frunze Military Academy.

The Order of Zhukov is presented to Hero of the Soviet Union Lieutenant General of Aviation Anatoliy Ivanovich Pushkin. During the Great Patriotic War he commanded an air regiment and an air division on the Southwestern, Southern, Stalingrad, Fourth Ukrainian, First and Second Baltic, and First Belarusian Fronts. He flew dozens of combat sorties and participated in fierce air battles. The division under his command successfully carried out combat actions in all the operations conducted by the fronts.

In the postwar years Anatoliy Ivanovich held command posts in the Armed Forces. As deputy chief of the Zhukovskiy Academy, he took an active part in the training of military cadres.

The Order of Zhukov is presented to Fleet Admiral Nikolay Dmitriyevich Sergeyev. In the war years he commanded a brigade of river ships of the Volga Military Flotilla. Operating under continuous enemy fire, his brigade successfully fulfilled an important combat mission. A combat minesweeping operation was carried out under Nikolay Dmitriyevich's leadership in the spring of 1944 in mined sections of the Volga River.

He subsequently commanded the Northern Fleet's White Sea Flotilla and headed the Navy's Main Staff.

The Order of Zhukov is presented to Hero of the Soviet Union Marshal of the Soviet Union Sergey Leonidovich Sokolov. He took an active part in the Great Patriotic War on the Western and Karelian Fronts and commanded the Army's armored and mechanized units. He proved himself to be a competent, decisive, and enterprising commander.

For more than 20 years after the war he devoted his strength, knowledge, and experience to the cause of strengthening the Armed Forces and the state's security as the country's first deputy minister and minister of defense.

The Order of Zhukov is presented to Major General Korniliy Georgiyevich Cherepanov. He participated in the routing of Germany and Japan. He fought on the Northwestern, First and Second Baltic, Third Belarusian, and First Far Eastern Fronts. From 1943 he was a division commander. He acted skillfully and courageously. In fighting near the city of Mudanjiang in August 1945 he used his personal example to carry along the division's attacking units to storm the city. He thereby contributed to the combat mission's successful fulfillment. He was awarded the title of Hero of the Soviet Union for the courage and heroism displayed in that battle.

Army Paper Cites Major, Clinton, Luzhkov Addresses

MM1105143495 Moscow KRASNAYA ZVEZDA in Russian 11 May 95 p 2

[Report by Aleksandr Pelts: "In Memory of Those Who Fell and to the Glory of the Living. Opening of Poklonnaya Gora Victory Memorial Complex"]

[FBIS Translated Excerpt] All Russians, veterans, and those who lived through the terrors of the war now have yet another sacred site — the Poklonnaya Gora Victory memorial complex. Its was opened 9 may immediately after the military parade. [passage omitted]

There was a rally during the opening ceremony of the monumental pantheon at which Russian Prime Minister Viktor Chernomyrdin, Georgian leader Eduard Shevardnadze, PRC President Jiang Zemin, British Prime Minister John Major, U.S. President Bill Clinton, and mayor of the hero-city of Moscow, Yuriy Luzhkov, delivered speeches. [passage omitted]

Responsibility for maintaining universal peace has been given to the present generation of politicians, British Prime Minister John Major emphasized in his speech. Having expressed deep respect for the allies who succeeded in getting the Nazi regime to capitulate, the British prime minister stated: "We must not permit even the shadow of new conflicts or a new split which threatens to overshadow the life of Europe's peoples."

In the words of John Major, in order to strengthen peace on the continent of Europe, Britain intends to create a system of relations based on partnership in which cooperation with Russia will play a central role. The British prime minister called on the Russian president to facilitate the formation of 21st century international institutions which are capable of ridding Europe of "hatred and fear."

"I came to Moscow to express on behalf of the American people my deepest gratitude for everything you did and sacrificed in order to conquer the forces of fascism," U.S. President Bill Clinton stated in his speech. "We came together here as friends to remember those who sacrificed their lives in the cause of this Victory."

Clinton noted that the last war took the life of one out of eight Soviet citizens. "No less than 27 million of your people perished," he said. "These numbers numb the mind and defy comprehension." Recalling the legendary meeting between U.S. and Soviet troops on the Elbe, Clinton appealed for faith to be kept in the promises that were made at the moment the guns fell silent in Europe.

Russia has now opened itself to new freedoms, Clinton continued. We should work together today to put an end to the barbarity of wars, stop international terrorism, create a flourishing Europe, give our people an opportunity to fully realize the potential given to them by God, he noted. This is our sacred duty to the present and future generations, the U.S. President said.

The Battle of Moscow in 1941 was the first in a series of victories in the Great Patriotic War. Moscow became the first bastion which Hitler could not capture, mayor of the Russian capital, Yuriy Luzhkov, said in his speech.

He recalled the contribution to the Victory made by the capital's residents, who "came to the defense of the homeland in a matter of days." In just the first month of the war the capital sent 1,200,000 volunteers to the front. Women, youths, and old men worked in the rear area.

Today, the Moscow mayor said, "we should acknowledge our gratitude to all those who fell and to the living, both the famous and the unknown." Thanks to their feat, the world has lived for 50 years without a global conflict.

After the rally was over, the guests inspected the Guards' Hall and the Memorial Hall, where to the sad strains of the "Requiem" they laid a wreath at the foot of the sculpture "Grieving Mother." They honored the memory of those who had fallen on the battlefields of World War II with a minute's silence. Before the end of the solemn ceremony to open the Poklonnaya Gora memorial, the foreign guests made an inscription in the Book of Remembrance.

Text of Yeltsin Speech at 9 May Kremlin Banquet

MM1105131195 Moscow ROSSIYSKAYA GAZETA in Russian 11 May 95 First Edition p 3

[Unattributed account of "Speech by Russian President B.N. Yeltsin at Reception in the Kremlin State Palace" on 9 May: "For the Sake of a Peaceful Europe"]

[FBIS Translated Text] Dear Fellow Countrymen-Veterans!

Esteemed Foreign Guests!
Ladies and Gentlemen!

We are marking a great occasion today: World War II in Europe finished exactly 50 years ago; at the same time for Russians it is the sacred holiday of victory in the Great Patriotic War.

The veterans are of course the heroes of the day. And my first words are addressed to them.

All who remember the war bow their heads in gratitude to the frontline soldiers. You, dear friends, delivered your fatherland and the peoples of many countries from fascist servitude.

The centuries will pass, but I am sure that future generations of Russians will remember those who fought to the last ditch in and around Moscow and Stalingrad, the heroes of the Battle of Orel and Kursk and of the assault on Berlin. A grateful mankind will always remember your generation as the generation of victors and liberators.

I welcome and congratulate the frontline soldiers who live in all CIS countries and beyond their borders. You trod the paths of war shoulder to shoulder. Our peoples are bound in fraternity by blood which was shed for the sake of life.

"Time will not affect the greatness of all that we lived through in the war. It was an extraordinarily hard but a very glorious time." These are the words of Marshal of Victory Georgiy Konstantinovich Zhukov.

Henceforth and evermore the bronze statue of the military leader and the memorial to the Unknown Soldier of the Great Patriotic War will symbolically stand side by side in the very heart of Moscow.

On this day we pay a tribute of gratitude to all heroes of this war, both the fallen and the survivors. As the poet wrote, they have had their say and will be forever right.

Esteemed Heads of State and Government, I am grateful to you for coming to Moscow and for sharing our common celebration with Russians. I view this as profound respect for the feat of our people and for the enormous sacrifices which they laid on the altar of victory.

We value highly the role of the states of the anti-Hitler coalition in World War II. We will always remember the contribution made by the peoples of the United States of America, Britain, France, China, Yugoslavia, Poland, and other countries to our common victory.

Half a century separates us from this great event. The era of the Cold War and mutual distrust and fear is behind us. A great and historic reconciliation of peoples has taken place. We are now living in a united world. Russia stretches out the hand of partnership and friendship to all countries.

On this day many of us are pondering the fortunes of Europe, which was engulfed in the conflagrations of two world wars.

My image of our continent's future is a united commonwealth of democratic nations. Only such a Europe will be truly peaceful.

For the sake of this noble aim we will work hand in hand with all member-states of the Organization on Security and Cooperation in Europe.

I believe that mankind will enter the 21st century having forever rejected the terrible concepts of "totalitarianism," "national hatred," and "world war." And that others will take their place:

Peace.
Life.
Freedom.

Esteemed Ladies and Gentlemen! I propose a toast:

To the health and good fortune of World War II veterans! We bow down to the ground before you!

To the health of our esteemed foreign guests!
To the prosperity of all the world's peoples!
Happy Great Victory Day, dear friends!

Further Yeltsin Congratulations to War Veterans

MM1105091195 Moscow ROSSIYSKAYA GAZETA in Russian 11 May 95 First Edition p 1

[Unattributed report under the "Victory Teleprinter" rubric: "Their Feat Will Not Be Forgotten"]

[FBIS Translated Text] At the Russian Army Central Club A.A. Bolshakov, deputy chairman of the Russian Federation Government, read out a greetings message from Russian Federation President B.N. Yeltsin to participants in an anniversary gathering for World War

II veterans and rear-services personnel from the states of the former USSR.

Among other things, the greetings message says: "Although we today live in different states, our victory is shared. Together our peoples endured the most difficult of ordeals and saved world civilization from mankind's most evil enemy — fascism.

"The war has receded into the past. But the memory of it is timeless. Never will the immortal feat of the soldiers and commanders, the underground fighters, working people in the rear, and all those who ensured the rout of Hitler's regime be forgotten. We remember the immense efforts, privations, and sacrifices that were the price of victory.

"Filial words of thanks are now being addressed first and foremost to the front-line and rear-services veterans. Your rich experience of life, which you have generously shared, is essential to the new generations of citizens of the Commonwealth states. The memory of our joint battle for victory is helping us in new circumstances to safeguard the common interests of our countries' security and stable development. We must resolutely oppose any threats to their peaceful development and save present and future generations from the dangers of any wars.

"I congratulate you, dear veterans, upon the sacred holiday — Victory Day!

"I wish you good health and prosperity."

Yeltsin Praises Nagorno-Karabakh Cease-Fire

LD1105105195 Moscow ITAR-TASS in English 1031 GMT 11 May 95

[FBIS Transcribed Text] MOSCOW, May 11 (Itar-Tass) — President Yeltsin has described the decision of the Azeri and Armenian leaders to stop bloodshed in Nagorno-Karabakh as a courageous and the only correct step in his messages to Azeri President Gaydar Aliyev and Armenian President Levon Ter-Petrosyan on the occasion of the first anniversary of ceasefire in that region.

"Massive bloodshed in the old and bitter armed conflict that lasted for seven years was stopped on May 12, 1994. Thousands of human lives were saved in this way. An end was put to the senseless devastation of cities and villages, the destruction of the economy and ecology of the whole region, and, which is the most important thing, people again began to hope that peace and stability would eventually be established in the Transcaucasian Region," said the messages, received by Itar-Tass today from the President's press service, which were signed by Yeltsin on May 1.

"It is important now to live up to the aspirations of the peoples, primarily to consolidate the armistice in every way and to resolve consistently all problems, created by the tragic conflict, only by peaceful means, no matter how complicated they are," the messages say. The Russian President expects the Azeri and Armenian leaders to give a realistic and constructive impetus to the talks on concluding an agreement about the end to the armed conflict, which were started in Moscow two years ago with the mediation of Russia.

Yeltsin believes that it is necessary to release by May 12 all prisoners and hostages, in order to help those victims of the conflict, and to take new steps for overcoming mutual mistrust of the conflicting parties, accumulated during all those years.

The Russian leader urged the two countries to give up power practices, to give to each other real and tangible security guarantees and to start eliminating the grave consequences of the confrontation, including the withdrawal of troops from occupied territories, the return home of refugees and the restoration of normal life in the region.

The messages expressed hope that the leaders of the two conflicting parties would be ready to take important steps to meet each other half-way, which would be in line with the vital interests of peoples of the Transcaucasian Region and the whole of the New Commonwealth.

"Russia as a mediator and co-chairman of the conference on Nagorno-Karabakh under the aegis of the Organisation for Security and Cooperation in Europe (OSCE), will continue to work tirelessly for promoting the settlement of the conflict. I am sure that the Commonwealth of Independent States will further promote this process in every way," Yeltsin stressed. As the President of the Russian Federation and co-chairman of the CIS Council of Heads of State, he extended most cordial greetings to the Presidents of Azerbaijan and Armenia and in their person to the peoples of two countries, which are friendly to Russia, on the eve of the first anniversary of ceasefire in Nagorno-Karabakh.

CIS Contribution to Karabakh Peace Hailed

MM1005110095 Moscow RABOCHAYA TRIBUNA in Russian 5 May 95 p 6

[Article by Ali Naibov: "The Karabakh Knot: Who Will Unravel It?"]

[FBIS Translated Text] Baku — Throughout April, the Azerbaijani parliament manifested the traditional Caucasian hospitality. Following the visit to Baku by Sergey Baburin, leader of the "Russia's Path" Duma faction, the republic's capital hosted a session of the committee for political-legal issues of the Parliamentary Assembly for Black Sea Economic Cooperation [PABSEC] — a regional organization which groups the parliaments of the countries of the Black Sea region as well as Mediterranean Albania, "inland" Armenia, and Azerbaijan, which borders on the Caspian Sea.

The session itself was in the nature of a routine formality held for the record, and boiled down to declarations — typical for this kind of event — of peace and cooperation, as well as the intention to continue the seminars in the resort areas in which the region abounds.

What is endearing, however, is the — how should I put it? — free-and-easy attendance of this or that group of "Black Sea regionals" at this or that PABSEC "get-together," which is explained by the range of their sympathies or antipathies toward the venue of the meeting. Thus, the Azerbaijanis spurn Yerevan, the Armenians and Russians spurn Baku, and this, surely enough, does nothing to reinforce the monolithic nature of the assembly. Let us add here the — to say the least — cool (or, on the contrary, excessively heated) relations between Armenia and Azerbaijan, the total absence of diplomatic relations between Yerevan and Ankara, Crimea's problems with the Black Sea Fleet, and Georgia's dispute with Abkhazia — and the disparity between PABSEC's political potential and the tasks of unraveling (cutting?) the many knots which have accumulated in the region will become evident.

Hence, the phrasemongering of PABSEC functionaries, which has become a sort of camouflage for their inability to act, such as the statement by Mukhtar Mokhramli, chairman of the committee for political and legislative issues, on the "inadmissibility of using the assembly's platform for narrowly national ends" (even if they are justified), or the "need to make compromises for the sake of reinforcing stability in the Black Sea region," and so on and so forth.

The same cannot be said about PABSEC's competitor, the CIS Interparliamentary Assembly, whose assets sheet includes such achievements as, for instance, the Bishkek Protocol which put an end to the bloodshed on the soil of Azerbaijan for one long year of peace. It is possible to hold a different view of this document, which, however you look at it, has, even if only temporarily, enshrined the results of the seizure of Azerbaijani territories, including those which have no relevance whatsoever to the "disputed" Nagorno-Karabakh. And drawing a parallel between the Bishkek Protocol and the Treaty of Versailles — a parallel which the intransigent opposition likes to mock — is, it must be said in all fairness, not all that far from the truth. But all the same, the basic "yardstick" to be applied to the Bishkek Protocol is not the area of land which has been seized but the rivers of blood that have not flowed and the numbers of soldiers who have not been killed, wives who have not been widowed, children who have not been orphaned, graves which have not been dug, and the official "Killed in Action" notices which have not been written. The CIS Interparliamentary Assembly can be justifiably proud of the "spirit of Bishkek," and so can the people who, a year ago, were able to step off the war path: the heads of the Russian, Kyrgyzstani, and Azerbaijani parliaments, Vladimir Shumeyko, Medatkhan Sherimkulov, and Rasul Guliyev. The Bishkek Protocol is their creation.

"Having made, with the help of the Interparliamentary Assembly, the first step toward peace, are you not now getting ready to make the second one also, using the successful precedent?" I asked R. Guliyev, chairman of the Azerbaijani National Assembly. "After all, the present situation — 'neither peace nor war' — is a time bomb."

"We are getting ready. I recently had meetings with Mr. Shumeyko in Ankara and Istanbul. We talked for several hours and laid down specific measures. I will not say now what these are. On 12-13 May there will be a session of the Interparliamentary Assembly in St. Petersburg, timed to coincide with the anniversary of the Bishkek Protocol."

During the year since Bishkek, no one has brought about a stable and just peace in the Transcaucasus. Neither the United Nations nor the Organization for Security and Cooperation in Europe, nor PABSEC, and certainly not the Yeltsin-Kozyrev "plenipotentiary representatives for negotiations on Nagorno-Karabakh," nor the brass-hat emissaries from Moscow. Nor have the conflicting sides managed to come to terms face to face. The only organization which has managed to shift at least to some extent the "snowball" of the problems which have accumulated over the six years of the bloody Karabakh conflict is the CIS Interparliamentary Assembly. Regretfully, the "snowball" has simply remained in place and merely grown yet another icy layer of mutual hostility and distrust.

If the warm air of the Black Sea helps to melt that layer of ice, all honor and glory will be due to PABSEC. But it is more likely that that will happen thanks to a combination of the efforts of the "Black Sea regionals" and the pioneers of the **real** peace process from the banks of the Neva. Especially as the Interparliamentary Assembly and PABSEC abut on each other in a sort of "overlap": A good half of the countries of the one parliamentary bloc belong to the other one, and vice versa. God himself ordered them to work in a single peacemaking tandem. The only important thing is that the geopolitical competition which inevitably arises between the leading powers of the two assemblies, Russia and Turkey, should become not a destructive force but a locomotive which should carry war away from the "Caucasian home." In cases such as this people say: If only this energy could be used for peaceful purposes.

ITAR-TASS Carries Press Review for 11 May

LD1105052795 Moscow ITAR-TASS in English 0514 GMT 11 May 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW May 11 (Itar-Tass) — The VE-day anniversary celebrations, the talks between Presidents Boris Yeltsin of Russia and Bill Clinton of the United States, and French presidential elections are the principal topics in today's Moscow-based newspapers.

ROSSIYSKAYA GAZETA runs the texts of the speeches made by the Russian President and Prime Minister during the celebrations.

KRASNAYA ZVEZDA (Red Star) carries the text of the speech made by the Russian Defence Minister Pavel Grachev at the military parade on Poklonnaya Hill on May 9.

PRAVDA and SOVETSKAYA ROSSIYA, just as other newspapers, report an alternative demonstration , which was held on the initiative of opposition organisations. The demonstrators marched from Belorusskiy railway terminal to Lubyanka square.

IZVESTIYA on the Russian-U.S. summit.

The newspaper points out that the two presidents managed to resolve far from all contradictions in Russian-U.S. relations. Five joint statements were signed, but the problems concerning NATO expansion and the Russian-Iranian nuclear deal which Moscow has so far refused to reconsider, still remain unresolved.

Pointing out the Kremlin's firm stand, the newspaper maintains that this stand has found support with British Prime Minister John Major and Canadian Premier Jean Chretien who regard the uproar raised by the White House over the Russian-Iranian nuclear contract as inordinate.

IZVESTIYA carries an interview with British Premier John Major who stated that he appreciates the excellent relations between Britain and Russia and wished Russia to get fully integrated into the world economy as soon as possible.

Mr Major expressed concern over the situation in Chechnya. His opinion is that the recent establishment of a permanent mission of the Organisation for Security and Cooperation in Europe (OSCE) there is an important step towards a settlement of the situation.

IZVESTIYA on German Chancellor's remarks.

The newspaper, referring to Western sources, maintains that German Chancellor Helmut Kohl, during a conversation with President Boris Yeltsin on Tuesday, stated that from now on matters concerning economic cooperation between Russia and the European Union would be closely linked with the situation in Chechnya.

ROSSIYSKIYE VESTI on French Premiership forecasts.

The newspaper predicts that Alain Juppe, one of the leaders of Rassemblement Pour la Republique — a neo-Gaullist party - who was the Minister of Foreign Affairs in the Edouard Balladur government, will be France's new Prime Minister.

ROSSIYSKIYE VESTI carries an article by Colonel-General Andrey Nikolayev, Director of Russia's Federal Border Service, about the state of affairs on the former Soviet Union's boundaries inherited by the Russian border guards.

General Nikolayev writes about measures taken to uphold Russia's interests on the outer boundaries of CIS states and on a Federal programme for the development and upgrading of border forces in the period ending in the year 2000.

NEZAVISIMAYA GAZETA interviewed President Guntis Ulmanis of Latvia, who described a relationship between Riga and Moscow. He believes that an arrival of the leaders of the three Baltic countries - the only states which lost their independence as a result of the Second World war - would not have been justified by history and that the Baltic peoples understand that.

At the same time, the Latvian president hopes for meetings with Russia at government level soon to resolve all problems in the relationships between the two countries.

IZVESTIYA on problems being brought about by the signing of a new version of the Russian Central Bank Law signed by the President.

The main problem is that this law forbids the Central Bank to participate in the capital of other banks. This means that the Central Bank shares in Vneshtorgbank and the Savings Bank - 96.8 and 51 percent respectively - should be sold. The Savings Bank now accounts for 62 percent of all private deposits. So, a prospect to be deprived of state support cannot but worry millions of depositors.

State Property Committee chief Sergey Belyayev asserts that the Central Bank shares in commercial banks will be bought out by the Committee. However, Izvestiya emphasises, it is unknown so far where the Committee will get, and urgently too, more than 500 million U.S. dollars for that.

Director Describes Federal Border Service

MM1105105395 Moscow ROSSIYSKIYE VESTI in Russian 11 May 95 p 2

[Article by Colonel General Andrey Nikolayev, director of the Russian Federal Border Service: "National Interests in Border Areas"]

[FBIS Translated Text] The Russian border guards inherited a difficult legacy from the former Soviet Union. As a result of the Soviet Union's collapse four of the 10 border districts and 40 percent of the ground, naval, and air forces and weapons with equipped border sectors, bases, control and communications centers, well tuned border infrastructure, material training base, and housing and barracks pool remained outside Russia's borders.

The state border on dry land was mainly covered by heavy warning signal complexes of the barrier type which ensured a 68-99.5 percent of border violators being detected. Breakthroughs across the border were an isolated phenomenon and were even less than once a year.

Today 17,000 km of dry land on the Russian border has no engineering and technical facilities. But even where warning complexes have remained by the decision of some organs of executive power of the Federation's components they have been dismantled or switched off.

Under present conditions, of course, there can be no question of any "iron curtain." The openness of the state policy pursued by Russia has had the most direct effect on the intensity rate of the crossing of the state border by people and transport facilities.

In 1994 border control units and subunits allowed over 74 million people and over 8.5 million transport facilities across the Russian border. With the development of the CIS states' economic relations the flow of people across the border is increasing still further. We predicted this situation but the state's economic potential does not yet allow it to provide facilities for the necessary number of international checkpoints across the state border. Yet the border checkpoint is not a door, not a gate in a fence. It is a complex international-standard engineering project.

Studies have shown that 80-85 percent of citizens cross the state border at established checkpoints only if there is a likelihood of up to 60 percent that they will be apprehended at other sectors. These norms were used by us to calculate the numerical strength and correlation of the border troops and border control organs of the Federal Border Service.

In this complex situation the Russian Federal Border Service is resolving the task of safeguarding national security in the border areas by several interconnected methods. One of the most important is the construction of an optimal system of Russian border organs. Another is work in conjunction with all branches of Russian power on the unification of the legal basis in the border sphere.

We have completed the creation of associations, formations, and units designed to cover the Russian borders more reliably and Western and Arctic groups of troops have been created, as have nine operational troop departments, two border detachments, five individual border komendaturas, operational reserves, and over 30 combat and other units. The Border Troops Academy and a number of units of central subordination have begun to operate. The border troops grouping in Tajikistan has been more than doubled and brought up to a strength of 16,000.

We have managed to resolve many questions of integration and cooperation within the framework of the "near abroad." We have concluded mutually advantageous agreements with the relevant structures of all adjacent states and with the Republic of Tajikistan. They are all being implemented in practice. They include agreements on cooperation and the joint guarding of the border, preferential deliveries and rail shipments, military service by citizens of CIS states in the Russian border troops, the training of national cadres, and others.

Through the steps we have taken we have managed to strengthen our positions to defend Russia's interests on the foreign borders of the CIS states. The "Georgia" and "Armenia" groups and separate "Turkmenistan" task force have been created in addition to the Russian Federation border troops also in existence in Tajikistan and Kyrgyzstan. The study of questions of creating task forces and joint commands with Belarus and Kazakhstan is at the concluding stage.

Within the framework of the measures which the Russian Government is carrying out we have embarked on the elaboration of a federal border program for the development and improvement of the border troops through the year 2000 whose implementation it is planned to effect in two stages (the first stage is 1996-1997 and the second stage 1998-2000).

The program's main aim is to build up in a planned and consistent manner efforts to protect Russia's security in the border areas and gradually to transform the Russian Federal Border Service into a special state service and the border troops into special troops in constant combat readiness.

An important step in this direction has already been taken. On 2 March 1995 the Russian Federation president approved the statute "on the Russian Federation Federal Border Service." The Russian Federal Border Service has become a federal organ of executive power ensuring the implementation of the Russian Federation's state border policy in the sphere of the protection of the state border, territorial waters, the continental shelf, and the exclusive economic zone.

I draw attention to the fact that the Russian border guards' tasks have become more responsible and, if you like, more multifaceted. The Federal Border Service does not simply guard the border but is also a state organ which in collaboration with other ministries and departments ensures the defense of Russia's political, economic, military, and other interests in the border areas while implementing a coordination function. To resolve the entire complex of Russia's border problems a new federal organ was needed with the necessary and extremely compact elements. That organ is the Russian Federation Federal Border Service, which includes the border troops, organs of border and other forms of control, operational organs, its own security organs, and others.

Resolutely rejecting an unconstructive approach toward state control in the border sphere, the Russian Federal Border Service, with the participation of other ministries and departments, has completed the development of the draft "fundamental principles of border policy." This document formulates a comprehensive system of measures to protect the state's national interests in the border spaces. This draft is now being examined by the Security Council apparatus.

In predicting the development of the situation, there are every grounds for believing that the acute nature of the situation in a certain section of border regions will not only continue but will be intensified. Here we proceed from the fact that radical changes in the world and in the post-Soviet space have entailed fundamental changes in the nature of the threats to the Russian Federation's national security. Already they are moving from the sphere of direct military-political confrontation to the sphere of the implementation, by a number of leading world powers and states bordering on Russia, of a gradual economic, political, territorial, and religious expansion perpetrated mainly in covert forms.

This can be seen particularly obviously in Russia's border areas. The influence of Muslim extremism is growing in the republics of the Caucasus and Central Asia. In the Far East the vast Russian expanses give no peace to those who nurture long-term plans to develop them for their own benefit. The shifting of emphasis in threats to the Russian Federation's security is causing the urgent need to adopt comprehensive measures by the federal organs of legislative and executive power to protect Russia's national interests.

It should also be considered that the weakening of the Armed Forces groupings on a number of strategically important salients in fact leaves the organs and troops of the Federal Border Service as the only force ensuring military and operational cover for the borders.

The urgent need for a coordinated border policy is now being advanced to the fore — a policy based on a well tuned mechanism of coordination. In this connection it would be expedient to create an interdepartmental coordination council which would be a coordinating organ in the field of the protection of Russia's national interests in its border areas.

The following are seen as the interdepartmental coordination council's main tasks. They are the elaboration of the main avenues of Russia's border policy and a package of political, economic, legal, regulation, military, intelligence, counterintelligence, operational investigation, and other measures to implement it; the development and coordination of federal programs to protect Russia's national interests in its border areas; and the monitoring of the fulfillment of the decisions made in the sphere of the protection of the Russian Federation's interests in its border areas, and others.

Tasks of Gore-Chernomyrdin Commission Explained

LD1105121095 Moscow ITAR-TASS World Service in Russian 1057 GMT 11 May 95

[By ITAR-TASS correspondents Gennadiy Yezhov and Andrey Serov]

[FBIS Translated Text] Moscow, 11 May (ITAR-TASS) — "Following the talks between Russian Federation President Boris Yeltsin and U.S. President Bill Clinton, no changes have been made in the existing contract on the construction of the Russian nuclear power station in Iran," said Atomic Energy Minister Viktor Mikhaylov, speaking to ITAR-TASS during a break between the government sittings today.

He said that the Gore-Chernomyrdin commission will deal with a more detailed consideration of some aspects of Russian-Iranian cooperation, namely the protocol of agreement on the construction of the nuclear power station in Bushehr which has not yet been agreed with Iran. The protocol provides for where and how nuclear waste will be recycled, as well as the supplies of arms and other special equipment to Iran, which are not connected with the nuclear technology.

The atomic energy minister does not rule out that in the future the Russian side will build a centrifuge in Iran for the enrichment of used fuel, which was discussed at the talks between the Russian and U.S. presidents. Mikhaylov stressed that the agreements signed this far do not provide for the construction of such a centrifuge while all the contracts signed earlier with Iran on the use of nuclear energy revolve around peaceful projects.

The military part of Russian-Iranian cooperation mentioned by Boris Yeltsin at the final news conference on the results of the talks with Bill Clinton includes solely the supplies to Iran of arms and military hardware. The Russian side is prepared at the next sitting of the Gore-Chernomyrdin intergovernmental commission to hear the apprehensions of the American side concerning the Russian supplies of arms to Iran and also its desire to set up [further] control over the nuclear equipment and technologies to be supplied to Iran.

Mikhaylov said he was absolutely certain that the six-page report on Iran's ambitions to develop its own nuclear weapons which Bill Clinton handed over to Boris Yeltsin did not contain any specific facts testifying to such ambitions. Iran is a disciplined and cooperative signatory to the nonproliferation treaty, while the IAEA's monitoring of Iranian nuclear sites insures that Iran abides by the provisions of that treaty.

No Plans To Halt Iran Deal During Commission Talks

LD1005142395 Moscow INTERFAX in English 1246 GMT 10 May 95

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) — The Russian Nuclear Ministry does not plan to suspend the fulfillment of the Russian-Iranian contract on construction of a nuclear power plant in Bushehr for the time of the deal's discussion by the Gore-Chernomyrdin commission, head of the public relations department of the Russian Nuclear Ministry Georgiy Kaurov told Interfax Wednesday. He expressed the assurance that the Gore-Chernomyrdin commission "will thoroughly analyze the contract details and not find a single rotten thing in it."

"The contract on the construction of a nuclear power plant in Iran does not violate either international or Russian-U.S. agreements," said Kaurov.

The initial stage of the contract is being fulfilled: some 180 Russian specialists are studying the state of the Iranian nuclear power plant in Bushehr, whose construction was begun by German firms.

A contract on the finalized construction of the nuclear power plant in Bushehr with a capacity of 1,880 megawatts was signed in January, 1995. The agreement provides for assembly, adjustment, equipment supplies and start-up of the facility (the first power unit by the year 2000).

The Bushehr nuclear power plant is expected to have four power units: the first unit with a capacity of 1,000 megawatts, the third and fourth units with a capacity of 440 megawatts each. The capacity of the second power unit has not been specified. The German Siemens/Kraftwerke Union firm started the construction of the first two power units in 1975, but in 1979 the German government decided to stop construction and the Iranian side appealed to the Russian Nuclear Ministry with a proposal to continue the construction and assembly of Iran's first nuclear power plant.

The German firm did approximately 80%-90% of the construction work in the first power unit. In line with the agreement with the Iranian partners the Russian side will supply the majority of equipment, primarily reactors and turbines.

'Absolutely No Changes' to Contract With Iran

LD1105135595 Moscow ITAR-TASS in English 1315 GMT 11 May 95

[By Gennadiy Yezhov and Andrey Serov]

[FBIS Transcribed Text] Moscow May 11 (Itar-Tass) — Absolutely no changes are to be introduced to the existing contract for the delivery of Russian reactors to Iran following the talks between Presidents Boris Yeltsin of the Russian Federation and Bill Clinton of the United States, Russian Nuclear Energy Minister Viktor Mikhaylov told Itar-Tass on Thursday during an interval between government meetings.

Mikhaylov said that only a Protocol to the Agreement on the construction of a nuclear power station at Bushehr and the deliveries of arms and special equipment, unrelated to nuclear technology, to Iran will be the subject of an additional consideration of some aspects of Russo-Iranian cooperation at a meeting of the Gore-Chernomyrdin intergovernmental commission.

The Protocol, which has not yet been coordinated with the Iranian side, deals with where and how the spent fuel will be processed.

The Russian minister does not rule it out that in future the Russian side will also build a centrifuge in Iran for the enrichment of spent fuel, which was discussed during the talks between the Presidents of Russia and the U.S.

Mikhaylov emphasised that the agreement signed does not so far provide for the construction of such a centrifuge while all contracts signed with Iran earlier on the uses of nuclear energy concern exclusively peaceful projects.

The military aspect of Russo-Iranian cooperation, which was mentioned by Boris Yeltsin at a joint press conference on the results of the talks with Bill Clinton, implies exclusively accords on the delivery of arms and military hardware to Iran.

At a regular session of the Gore-Chernomyrdin Commission, the Russian side is prepared to hear the American side's misgivings concerning the deliveries of Russian arms to Iran and the U.S. desire to establish additional control (apart from IAEA monitoring) over nuclear equipment and technologies supplied to Iran.

Mikhaylov expressed firm conviction that the six-page report which Bill Clinton handed over to Boris Yeltsin about Iran's striving to provide itself with nuclear weapons does not contain specific facts which would be an evidence of such a striving. Iran is a disciplined and abiding Party to the Treaty on Non- Proliferation of Nuclear Weapons, and IAEA monitoring of Iranian nuclear facilities fully ensures compliance with the NPT provisions.

Georgiy Kaurov, Head of the Nuclear Energy Ministry's Information Directorate, for his part, told Itar-Tass on Thursday that the Russian side continues work on the Iranian contract.

A report on the possibility of using the facilities and equipment existing at Bushehr for the nuclear power station is to be completed towards the end of the year. From the moment of publication of the report, Russia will need 55 months to bring the power generating unit into operation.

Work has also been expedited of late to prepare agreements, similar to the Russo-Iranian contract. Russia intends to conclude contracts with China and India. The first one will be probably signed in the second half of the year.

Russian specialists are expected to give assistance to China and India in the construction of nuclear power stations with light-water reactors. The only difference of the agreements will be in payment terms. While Iran will pay in cash, the work for China and India will be done on credit.

Yeltsin's Stand on Cooperation With Iran Viewed

LD1005225895

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian at 1910 GMT on 10 May carries the 16-minute recorded "Versions" current affairs program. Announcer Sergey Dorenko comments on the declaration made by President Boris Yeltsin at a news conference in Moscow on 10 May to the effect that Russia will proceed with the civilian part of its nuclear cooperation agreement with Iran but will not proceed with the military part.

Dorenko asks whether there is a hidden military agenda in the agreement after all, or if perhaps it was merely imprecise wording on Yeltsin's part and that all he meant was that Russia had no intention of engaging in military cooperation with Iran. Dorenko then examines several possible explanations for Yeltsin's behavior.

Vladimir Lukin, chairman of the State Duma committee for international affairs, comments on the situation. He says: "After having sworn publicly for the whole world to hear that there was nothing in the cooperation program to do with military affairs, and after all the promises given and all the agreements signed, how can one start checking now? You will agree that this style of conducting affairs of state is far from perfect and is by no means to our credit."

Lukin continues: "These things should be agreed before they become a fact of international life." He then adds: "The Iran issue is a serious one. If we go back on the agreement and give in completely with regard to the Iran issue, this would mean that any state would have to go to Washington first and ask for their permission before starting negotiations with us and prior to signing a serious agreement with us on a serious economic matter."

Iran Deal 'Strictly Controlled' by Special Services

LD1005142795 Moscow INTERFAX in English 1246 GMT 10 May 95

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) — Until now, no one has advanced any convincing arguments that Russia's plans to supply Iran with light-water reactors might pose any threat to anyone, a high-ranking Russian diplomat told Interfax on Wednesday [10 May].

"This deal is being strictly controlled by the Russian special services, whose duty is to ensure the nonproliferation of nuclear weapons," he said. "Naturally, Moscow does not intend to tolerate any loopholes for the spreading of nuclear threat," he added.

He said, at the same time, that Washington has initiated several inspection missions in Iran and that no threat had been revealed.

"On the contrary, it became clear that Iran is demonstratively open to any kind of inspection, which suggests that it is not working on any nuclear program," he said.

Iran Deal Seen as Concession to United States

MK1105083395 Moscow SEGODNYA in Russian 11 May 95 p 1

[Report by Vladimir Abarinov under the "Summit" rubric: "Russia Agrees To Withdraw Military Components From Nuclear Contract With Iran"]

[FBIS Translated Excerpt] For the first time in the history of bilateral relations, the delegations did not have a hand in the dialogue between the presidents — the summit was on a narrow scale throughout. In Boris Yeltsin's words, the summit's results "for the umpteeth time disproved conjecture" that it would fail, even if the sides largely maintained their former positions.

Nevertheless, clear progress was achieved on one of the most sensitive problems — the Iran problem. Yeltsin promised to have the military component taken out of the nuclear contract with Iran while fulfilling its "peaceful part." The Russian-Iranian deal will be analyzed in detail within the framework of the Gore-Chernomyrdin commission. The results of the examination will be presented to the presidents, who will make the final decision. Yuliy Vorontsov, the Russian Federation's ambassador to the United States, told your SEGODNYA correspondent that this closes the question of the delivery of gas centrifuges having a clearly military function. The ambassador qualified the agreement on this delivery as "the Ministry of Atomic Energy's individual initiative" that came as total surprise to the Foreign Ministry. Vorontsov thinks the understanding reached was an American concession to Russia. The paradox is that it can be also interpreted exactly the other way around. In real terms this is a concession in favor of security and common sense. As Clinton stated in the press conference, the deal does not contravene international law, but it poses a danger to Russia, which is situated in direct proximity to Iran. [passage omitted]

Yablokov: Nuclear Technology Sale to Iran 'Dangerous'

LD1005162295 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1745 GMT 5 May 95

[FBIS Translated Text] There is "nothing about the installation of centrifuges or the transfer of centrifugal technology" in Russia's agreement with Iran on the construction of a nuclear power station, said Georgiy Kaurov, head of the information directorate of the Russian Federation Ministry for Atomic Energy, in an interview with Ekho Moskvy radio station. He was refuting a WASHINGTON POST report that an understanding existed within the agreement that Russia would grant Iran an installation for production of enriched uranium.

In any case, G. Kaurov thinks "delivery of equipment to produce enriched uranium can exist without violating the Treaty on the Non-Proliferation of Nuclear Weapons if Iran takes responsibility not to produce weapons and the IAEA guarantees all Iranian technology."

Aleksey Yablokov, chairman of the Russian Federation Security Council's Interdepartmental Commission for Ecological Safety, said for his part in an interview with Ekho Moskvy radio station that there is an understanding on the delivery of centrifuges to Iran in a protocol to the agreement signed between Russia and Iran. "According to the protocol delivery is not an immediate task but will happen in six months or so," A. Yablokov specified.

A. Yablokov emphasized that in this regard "a number of questions arise to which there is a single answer: It is the military atom that Iran wants to develop."

"If Iran has a nuclear station it won't need a uranium enrichment facility at all. It is thousand times cheaper to buy fuel, which is necessary for the power station, from the same country which is building the station," he said. "According to the protocol to the agreement, we will train 20 Iranian specialists in our classified facilities. But why does Iran need so many specialists for one power station?"

"Iran, with its enormous supplies of gas and oil, should also explain to the world community why it needs to develop nuclear power engineering at all, as it is much cheaper to obtain energy from gas and oil."

"The enrichment of uranium, large-scale training of specialists, modern nuclear technologies which Russia will inevitably pass on to Iran together with the power station — this is all very dangerous," he believes.

Shumeyko Questions Need for NATO

LD1005203795 Moscow INTERFAX in English 1710 GMT 10 May 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) — In the current situation, that the Warsaw Pact is no more, NATO should not exist in any form either, the speaker of the upper house of the Russian parliament, the Federation Council [FC] Vladimir Shumeyko has said. He was speaking at a meeting with the chief of the British armed forces' defence staff Field Marshal Peter Inge.

FC press-center chief Yuriy Algunov has told journalists Shumeyko said that NATO's Partnership for Peace program was aimed not so much at maintaining peace, as at preserving the alliance in the new situation.

"Shumeyko said that the logic of the Partnership for Peace program was fraught with the serious risk that the Kaliningrad region, where he was elected, may find itself surrounded by a military-political alliance of which Russia is not a member", Algunov said. Shumeyko pointed out that the central role in maintaining stability in Europe must be played by OSCE, and not NATO.

Algunov said Shumeyko did not rule out that if there was the risk of NATO' expansion eastwards, the Federation Council would bring up the question of concluding treaties with the alliance on non-aggression and on the nonadmission of former Soviet republics in it.

Lukin on 'Adequate' Response To NATO Expansion

LD1005182095 Moscow INTERFAX in English 1710 GMT 10 May 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) — Chairman of the State Duma's international affairs committee Vladimir Lukin believes that the expansion of NATO to the East in its present form must not be allowed by any means.

Lukin has told Interfax that Russia would respond adequately to such an expansion which, he fears, would be accompanied by the redeployment of East European armies from Western borders to the Eastern ones.

"If the West plans to build a system of European security, it should hold talks with Russia", Lukin said. "If the West intends to take Russia in pincers, it may try to do so, of course. But in that case it must remember that Russia will do everything it may deem necessary to maintain its own security in various situations, including the worst scenarios".

Lukin recalled that that "destructive idea had already led to the cold war once". "Moscow must make it quite clear that if the West does not wish collective security, Russia, just like any other country has the right to build individual and regional security on its own or with partners. I believe it won't take long to find them", Lukin said.

Lukin pointed to the fact that NATO had not undergone any evolution. In its old shape the "North Atlantic alliance benefits only the old-time NATO bureaucracy, both military and political". In the past NATO was aimed at upsetting the military potential of the Warsaw Pact and ruining it, which it eventually did and in the most effective of ways. These days quite new real risks have emerged, including regional crises, and NATO has proved utterly ineffective in handling them. Lukin believes that "if NATO re-targets itself from an Eastern threat to settling regional crises, then efforts could be pooled to bring about a new system of security".

"With a new North Atlantic alliance we shall be prepared to do business. We shall even be prepared to join it. However, no such alliance is in sight yet. There is the very same old-type organization that has reduced only insignificantly".

Lukin emphasized the idea that Russia did not seek the right to veto decisions on NATO's expansion eastwards and that any speculations on that score made no sense.

He said Russia only wanted the West to take its vision of European security into account.

"Without Russia no system of European security would ever work", he said.

Rybkin Spokesman's Account of Aid Cargo Disputed

MK1105105695 Moscow SEGODNYA in Russian 11 May 95 p 2

[Report by Yelena Tregubova under the "Scandal" rubric: "Ivan Rybkin Left in the United States Medicine for Orphans, not 'Military Uniforms for Senior Pupils.' Vladimir Lukin Thinks Explanations of Speaker's Press Secretary Are Deliberate Misinformation"]

[FBIS Translated Text] The scandal surrounding the refusal by Ivan Rybkin's delegation to take American humanitarian aid on board their plane has a new twist. It is to be recalled that Dmitriy Biryukov, the Duma speaker's press secretary, told a SEGODNYA correspondent the other day that Ivan Rybkin deliberately turned down the humanitarian aid supplies "being foisted" on him because the delegation "did not want to have American officials shaking down the plane because of that." Besides, Mr. Biryukov averred at the time, the delegation did not find "anything of overriding importance" in the proffered boxes; in his words, there were "in particular" "American military uniforms for upper-grade students in the Moscow area."

Yesterday, the head of the Duma's Committee on International Affairs, Vladimir Lukin, dismissed these utterances of the speaker's press service. As Vladimir Lukin, who went to America with the speaker, vouched, "they agreed in good time" with Ivan Rybkin on delivering this humanitarian cargo on the special plane. The sudden refusal to take along the boxes "is the first case ever of an official Russian delegation rejecting humanitarian aid; even President Yeltsin took such a cargo on board his special plane."

Despite Dmitriy Biryukov's statements on the absence of items of "primary importance" in the proffered cargo, the Duma committee head said that the humanitarian aid had been specially collected by the American "Cradle of Hope" fund for Moscow's homes for disabled children. The International Affairs Committee let your SEGODNYA correspondent have a list of the contents of all 106 boxes left behind; they contained medicine, clothing, and toys. The attached statement of "Cradle of Hope" fund Executive Director Linda Pearlstein stresses that the humanitarian aid cargo contained "nothing having to do with the military."

As Vladimir Lukin pointed out, there is "clearly something fishy" in Dmitriy Biryukov's allegation that American military uniforms for Russian upperclassmen had been put in the boxes with the humanitarian supplies.

Members of the committee also speak ironically of the "fear of having the plane shaken down by the Americans." In their words, their are no searches of special planes at all.

Vladimir Lukin is convinced that statements to this effect from Ivan Rybkin's press secretary were deliberate misinformation. It was impossible to talk with Dmitriy Biryukov in person yesterday — your SEGODNYA correspondent was told at the press service office that he would be out the whole day. Dmitriy Biryukov's assistant declined all comment.

'Serious Concern' Expressed at PRC Border Incident

LD1005132195 Moscow ITAR-TASS in English 1308 GMT 10 May 95

[By Andrey Kirillov]

[FBIS Transcribed Text] Moscow May 10 (Itar-Tass) — The Russian side has expressed "serious concern" over the armed incident at the Russian-Chinese border, as a result of which the head of a frontier guard post was killed on April 12, Itar-Tass learned today from a reliable source in the diplomatic circles.

Sergey Dashuk, head of the Shkolnaya frontier guard post of the Posiet frontier guard detachment, was killed, when arresting three Chinese, who were trying to cross the border. Most probably, they were poachers.

A verbal statement to the Chinese Embassy in Moscow was made on May 5. However, its content was not immediately made public because of the Victory celebrations.

According to the source, the statement expressed "serious concern over the armed incident at the Russian-Chinese border, which included the death of a Russian frontier guard officer."

"We proceed from the assumption that the Chinese trespassers, involved in the incident, will be severely punished, and the Chinese side will pay a monetary compensation to the family of the killed officer," the statement said. The Russian side expects China to take effective measures that will ensure the observance of the border regime by Chinese citizens.

The Russian Foreign Ministry has no detailed picture of the incident so far, the source said. Russian frontier guards reported an "armed clash" at the border.

It is a fact, however, the source continued, that the head of the Russian frontier guard post was killed by Chinese trespassers.

An investigation of the case is going on in China, he said.

"The Chinese side regards those developments as a serious incident and it obviously does not want the worsening of the atmosphere in Russian-Chinese relations," the source pointed out. Russian diplomats made it clear to the Chinese side that if more incidents took place at the Russian-Chinese border, the atmosphere there would inevitably deteriorate, he said.

Kokoshin, Kolesnikov Meet UK Defense Official

MM1005172695 Moscow KRASNAYA ZVEZDA in Russian 11 May 95 p 1

[Report by Russian Defense Ministry Information and Press Directorate under general heading: "Meetings at Defense Ministry"]

[FBIS Translated Text] Andrey Kokoshin, Russian Federation first deputy defense minister, and Army General Mikhail Kolesnikov, chief of general staff of the Russian Federation Armed Forces, have met with Field Marshal Sir Peter Inge, chief of the main defense staff of the United Kingdom of Great Britain and Northern Ireland, who is in Russia on an official visit.

There was a discussion of questions of constructive collaboration between the two countries' armed forces in the military field in the interests of European and international security. The sides noted the enormous importance of the anti-Hitler coalition countries' victory in World War II for the course of world history and the Soviet people's decisive contribution to the victory.

'Fruitful' Talks With Serbian, Yugoslav Leaders

LD0905172295 Moscow ITAR-TASS in English 1647 GMT 9 May 95

[By ITAR-TASS correspondent Ivan Ivanov and Aleksandr Kondrashov]

[FBIS Transcribed Text] Belgrade May 9 (ITAR-TASS) — The Russian delegation to Yugoslavia's celebrations of the 50th anniversary of victory in WWII had fruitful talks with leaders of Yugoslavia and Serbia concerning the expansion of their relations with Russia, said Nikolay Yegorov, Russian Deputy Prime Minister, the delegation leader.

Yegorov said before leaving for Moscow today that prospects of the relations directly depended on the lifting of the sanctions against Yugoslavia.

The Russian leadership is now preparing a series of initiatives to have the sanctions eliminated, Yegorov said.

These issues were discussed in his talks with Serbian President Slobodan Milosevic and Yugoslav Prime Minister Radoje Kontic.

"We were too long preoccupied with our internal problems. However, the time has come for more active foreign policies of Russia in the Balkans which were traditionally close to our interests. So I think we will soon witness new important Russian initiatives in this region," Yegorov said.

Commander in Croatia: Redeployment Could Be 'Fatal'

LD1005213795 Moscow ITAR-TASS World Service in Russian 1403 GMT 10 May 95

[By ITAR-TASS correspondent Andrey Naryshkin]

[FBIS Translated Text] Eastern Slavonija, "East" sector of the UN forces, 10 May — "In the present conditions the question of redeploying our unit cannot be raised. The situation is so complicated that to move even one of the outposts will lead to a chain reaction. In this case one should expect attempts by both the Croat and the Serb sides to seize equipment and strategically advantageous positions. These actions are fraught with the danger of starting a new full-scale conflict," Colonel Aleksandr Nizhegorodov, commander of the Russian battalion of UN Forces in Croatia, told the ITAR-TASS correspondent today.

Commenting on the situation in Eastern Slavonija and the plans which are being discussed in UN structures to redeploy the Russian peace-keeping battalion to a different region of Krajina (the "South" sector has been suggested), the Russian officer said that the most important thing now is to lower the level of tension on the demarcation line between the opposing sides. The UN forces stationed in the "East" sector, that is the Russian and Belgian battalions of "Blue Helmets," are still able to prevent the sort of collapse of the peacekeeping operations which occurred a few days ago in Western Slavonija. Any restationing or redeployment could have fatal consequences.

The battalion commander denied the rumors which are being spread by the sides in the conflict alleging that the Russian "Blue Helmets" have left some of their observation posts and allowed equipment to be seized. The security of Russian servicemen, he admitted, is under threat but the Russian battalion is continuing impartially and professionally to carry out its peacekeeping duties.

Azerbaijan's Mutalibov Detained as Caucasian National

LD1005123995 Moscow ITAR-TASS in English 1224 GMT 10 May 95

[By Andrey Kulikov, Yelena Gorelova]

[FBIS Transcribed Text] MOSCOW, May 10 (Itar-Tass) — Ayaz Mutalibov, former Azeri president, was arrested in Moscow by a police patrol during a routine checkup of documents of "Caucasian nationals". He was brought to a police station of the Donskoy municipal district on Sunday night and spent the night there, after it was found out that he had no Moscow registration certificate, Itar-Tass learned today at the Moscow Interior Department. According to the regulations currently in effect, "Caucasian nationals" from CIS member states and subjects of the Russian Federation, who have no residence permit, should be registered at police stations.

In the morning of May 8, the ex-president was released on the order of the Prosecutor-General's office of the Russian Federation, which decided that the arrest was unfounded, Aleksandr Zvyagintsev, acting Assistant to the Prosecutor-General, told Itar-Tass.

When the news about the arrest of Mutalibov reached Baku, a group of Azeri Interior Ministry workers left for Moscow in order to take him to the Azeri capital, a spokesman for the press service of the Azeri Interior Ministry told Itar-Tass. The group hoped that Mutalibov would be extradited to them in accordance with the Russian-Azeri agreement on legal assistance.

Ayaz Mutalibov is accused by the Azeri authorities of organising coup attempts, maintaining a state of emergency in Baku and other regions of the republic for a long time without sufficient reason and of creating illegal armed groups.

A special card for Mutalibov is kept at the Azeri Interior Ministry. According to Zvyagintsev, the Azeri authorities are searching for Mutalibov with the help of Interpol, while it is an open secret that he has lived in Moscow since 1992. According to a source at the Moscow Interior Department, after Mutalibov left Azerbaijan, he has lived in Moscow all the time without a residence permit.

Ayaz Mutalibov was Azeri president from May 1990 to March 1992. After his removal from the post in March 1992, he was president of the republic for two more days — on May 14-16, 1992.

Azerbaijan Seeks Extradition

LD1005182795 Moscow ITAR-TASS in English 1655 GMT 10 May 95

[By Olga Solodova]

[FBIS Transcribed Text] MOSCOW, May 10 (Itar-Tass) — Azerbaijan has appealed to the Russian Prosecutor's Office today demanding extradition of the former Azeri President Ayaz Mutalibov who was detained by the Moscow police on May 7 and later released, since the General Prosecutor's Office had ruled that there were no grounds for his arrest, Itar-Tass learned from the Prosecutor's General senior aide Aleksandr Zvyagintsev.

The Azeri side declared that the Azeri ex-president had been charged with an attempt to organise coup-de-etat and other crimes. Russia has not satisfied Azerbaijan's request. "There are no sufficient reasons by now why Mutalibov should be extradited to the Azeri side," Zvyagintsev said, adding that the Russian side had launched an inquiry into this case in accordance with the criminal code of the Russian Federation and international norms. Asked what the General Prosecutor's Office will do should Azerbaijan repeat its request, Zvyagintsev said that Russia might demand additional information to confirm charges levied against Mutalibov. Mutalibov was detained in Moscow on Sunday night during a routine passport check conducted among the people of "Caucasian nationality." He was brought to the municipal department of the Donskoi region since he had no documents to confirm that he had been registered in Moscow. On Monday morning Mutalibov was released.

As soon as the news of Mutalibov's arrest reached Baku, a group of Azeri Interior officials left for Moscow to take Mutalibov back to Baku, the press service of the Azeri Interior Ministry reported. The Azeri officials hoped for the extradition of the former Azeri president on the grounds of the Russo-Azeri agreement on legal aid.

Zvyagintsev said that Azerbaijan had been searching for the former ex-president through the Interpol, whereas it was no secret that Mutalibov had been in Moscow since 1992. A source in the Moscow Interior department said that after departure from Azerbaijan Mutalibov permanently lived in Moscow although he did not have a residence permit.

Ayaz Mutalibov had been Azeri president since May 1990 until March, 1992. After he was ousted in March, 1992, he managed to regain the presidential post for two days on May 14-16, 1992.

Mutalibov Rejects Deportation Statement

LD1005165295 Moscow NTV in Russian
1500 GMT 10 May 95

[From the "Segodnya" news program]

[FBIS Translated Text] And our last report. The former Azerbaijani president, Ayaz Mutalibov, who lives in Moscow, has rejected a statement by the Azerbaijani Government that the Russian authorities are allegedly preparing to deport him to Baku. In a telephone conversation with journalists, Mutalibov called the statement by Azerbaijani officials "a pathetic invention."

For their part representatives of the Prosecutor General's Office reported today that Mutalibov had been arrested in Moscow on 7 May but had been released on the same day by order of the prosecutor's office who considered the action unfounded. According to some information, Mutalibov was arrested by militia officers in connection with verification of documents.

Customs Chief Cited on Customs Union

MM1005105995 Moscow ROSSIYSKAYA GAZETA
in Russian 5 May 95 First Edition pp 9, 12

[Report by Aleksandr Gavrilyuk from "Departmental Supplement" section: "They Began With 'Union of Three'"]

[FBIS Translated Text] The idea of the tripartite customs union did not arise suddenly or only yesterday. Back in 1991 and early 1992 an attempt was made to draft and even sign an agreement on the principles of the customs policy of the republics of the former Union. This agreement was signed by eight republics and at the time it was considerably simpler to implement than now — there was still unified legislation and the ruble was the common currency and economic relations had not been broken. All that was needed was the expression of political will by our leaders, but that did not happen — no place was found for such a union in the parade of sovereignties.

Today no one doubts the need to create a unified free duty-free market, a single economic area — the only question is how to do it. Over these years the legislation of the CIS countries — financial, tax, and customs legislation — has developed chaotically and each former Soviet republic has developed its own currency — in brief, the differences are so deep and serious that a political decision to create a single economic area and consequently a customs union is no longer enough on its own.

Nevertheless, a tripartite union has emerged and has begun to function which, incidentally, has considerably added to the concerns of the Russian Federation State Customs Committee. Committee chairman Anatoliy Kruglov believes that it is essential first of all to unify the different legislative acts. A large amount of work also lies ahead in developing single technological schemes, primarily the technology for levying customs payments, and in creating unified foreign trade statistics. And finally perhaps the main issue is the provision of facilities at the borders. The customs union should have common borders, which is not the case today.

Nevertheless, the main thing, in Anatoliy Kruglov's opinion, has been done — in Almaty the heads of the CIS countries signed a document entitled "Fundamental principles of customs legislation," essentially a handbook for all customs services of the CIS countries. This document is based on the customs legislation of Russia and the European community as a whole. In brief, when the decision is made to create a single customs tariff on the outer perimeter of the CIS countries and internal customs borders are therefore repealed, and virtually no one doubts that this will happen sooner or later, the customs departments will be sufficiently prepared.

What now? "When the customs union agreement is signed all export duty, including duty on important strategic goods to which they used to extend, will be repealed from the moment the agreement is signed. At present all commodity turnover between the three countries [Russia, Belarus, and Kazakhstan] is duty free. Our paramount task is to simplify customs formalities. Above all it is necessary to create concessions and benefits when drawing up customs documents. That applies to both freight and passengers," Anatoliy Kruglov says.

How is this to be done? For a start the filling in of various documents and most importantly freight customs declarations should be made as simple as possible. The present customs declaration contains over 50 points which must be filled in. They will have to be reduced to 10-15 points, Anatoliy Kruglov believes, and those will mainly be for the purposes of customs statistics — it is essential to know the trade turnover between the members of the union and this will in no way be to control it, as is the case now.

In a certain sense the key issue of the union's work is the creation of a mechanism for administering this organization. It is planned to create a kind of supranational structure which will have the right to make decisions which are binding for all members of the union which, of course, will entail individual customs departments' loss of their sovereignty to a certain extent. Nonetheless, in the very near future a Russian Federation customs office will be created in Belarus. The status of this office's representative will be on a par with that of a deputy chairman of the Russian State Customs Committee. In turn Belarus is creating something similar and its representative in terms of the post he holds will be on a par with a first deputy leader of the Belarusian customs service. It looks as though these countries' customs men will soon "speak the same language." The need for such a decision for Russia is obvious — Russian interests in Belarus are great if only because the main flow of goods to our country comes across the Western border of the former USSR and consequently via Belarus and we need to have a presence there. Belarus also has its own interest. Definitive clarity was introduced by the Russian and Belarusian presidents, signing in Minsk recently a document of extreme importance for customs officials entitled "on the unity of management of the customs services." Now there are essentially no obstacles to coordinating and unifying all legislative acts and questions concerning the customs services as soon as possible, namely within four months.

Relations with Kazakhstan are taking shape in a rather more complex manner and rather more slowly. There is no agreement on the introduction of a single customs tariff and a treaty with Kazakhstan on the re-export of Russian goods has not been signed. In the opinion of experts this could lead even in the very near future to the outflow of Russian goods to third countries. Only recently did discussion begin with this republic on the agreement "on a single management for the three countries' customs organs." But the main thing is the subordination of Kazakhstan's customs service to the republic's Ministry of Finances. And although Viktor Shklyar, deputy leader of the Kazakhstan customs service, reported that the three years of the customs service's existence as part of the republic's Ministry of Finances "have shown the need for its secession" so far that has not happened. So Anatoliy Kruglov voiced the fear that the subordination of Kazakhstan's customs service to the Ministry of Finances "could hold up the creation of a customs union" since this status of the Kazakhstan customs service "does not accord with the tasks which it has to resolve." Indeed, there is still time — the statute allows six months for the solution of various questions in the union's relations with Kazakhstan.

Nevertheless, the main problem in the opinion of Anatoliy Kruglov, chairman of the Russian State Customs Committee, will be the coordination of a single customs tariff with regard to third countries. If the legal base for the union's work has been laid in "the fundamental principles of customs legislation," customs tariffs are of purely economic significance. The point is that each country and particularly a country like Kazakhstan, rich in raw material resources, structures its customs tariff policy by proceeding from the presence of minerals and that influences the nature of its customs charges. It seems to him that this will be the most complex element in the unification of a single customs tariff with regard to third countries.

Nevertheless, work on shaping the union is advancing quite dynamically.

Political Issues

Chernomyrdin Denies Presidential Aspirations

MM1105104995 Moscow IZVESTIYA in Russian 11 May 95 p 2

[Report by Aleksandr Shalnyev: "Viktor Chernomyrdin Won't Be Running for President"]

[FBIS Translated Text] London — Prime Minister Viktor Chernomyrdin has rejected suggestions that he will be running for president in next year's elections.

"Why ask me that?" — the premier said when asked whether he intended to run for president, and he confirmed that his decision on that score was final.

Viktor Chernomyrdin also said that he should not be "accused of hankering after power. I already have it," he stated.

In the interview he gave me and a TASS colleague, the premier, speaking about the development of the "Russia — Our Home" electoral bloc set up by him, said that he does not "intend to force participation in it" on any members of his government, but he does think that "they will all be with me. Otherwise, what sort of government is it?" True, the premier did not rule out his deputy, Zaveryukha, joining Rybkin's electoral bloc, just like, perhaps, certain other ministers.

As for Kozyrev, who has already made it known publicly that he will not be joining those groups, "I have not yet had an opportunity to talk with him on this score," the premier said.

Chernomyrdin recalled that two years earlier, on the eve of the elections at that time, "I was not closely involved in election matters. And I acted correctly. But now I cannot drop everything in that way. A parliament with which it will be possible to work for four years is necessary." He himself does not intend to become a deputy.

The premier is in no doubt whatsoever that the presidential elections will be held in Russia at the date set by the Constitution. "I have not even considered any other options. Nor has the president," he said, adding that "holding elections is, of course, difficult, expensive, and disagreeable. But they have to be held as laid down by the Constitution. In France or here, in England, it is also no doubt difficult, but they are held. And how could it be otherwise?"

And one last point: Bewilderment was expressed among the premier's entourage over a recent article of mine in IZVESTIYA which spoke about the "large team that usually travels" with Chernomyrdin. I have to confess that the bewilderment is legitimate in this case, as on this latest tour of three countries in Europe the entourage has been smaller than usual — only 20-odd people. There have not even been the court journalists.

Chernomyrdin Bloc Formed in St. Petersburg

954F2250A St. Petersburg SMENA in Russian 6 May 95 p 1

[Article by Aleksandr Gorshkov: "Chernomyrdin's Bloc Has Arrived"]

[FBIS Translated Text] In an atmosphere of strict confidentiality, the constituent conference of the St. Petersburg regional organization of the movement Russia—Our Home was convened yesterday. The movement is better known as the governmental election bloc of Viktor Chernomyrdin.

Just one week has passed since Boris Yeltsin announced the establishment of "two centrist electoral blocs," which in the design of their creators should become the foundation of Russia's political system. The blocs have already set about party structuring at full swing in the localities. Officials of local administrations have been engaged in particularly intense activity in this regard, sensing an opportunity to rapidly advance their political careers.

Vladimir Putin, first deputy head of the St. Petersburg Government, has been elected chairman of the local branch of the movement. He noted that he was acting at the personal request of Anatoliy Sobchak. Anatoliy Aleksandrovich was not himself present at the meeting, but he was invited to attend the constituent congress as an honored guest. The congress will take place 12 May in Moscow.

Representatives of financial, industrial, and entrepreneurial circles took part in the work of the conference, including certain active figures of the regional organization of the party Democratic Choice of Russia.

In the meantime, the position taken by the Democratic Choice of Russia with respect to the two governmental blocs has not yet been determined. This will be worked out at a political council meeting scheduled for 15 May. In the words of party leader Yegor Gaydar, the Democratic Choice of Russia has a number of fundamental differences with the government, including with respect to the war in Chechnya.

Industrial Party Offers 'Pragmatic' Policy

MM1005150895 Moscow TRUD in Russian
6 May 95 p 3

[Article by Anatoliy Dolgolaptev: "A Pillar of Support Must Be Sought in Russia's Special Features"]

[FBIS Translated Text] We Russians are not by nature moneygrubbers, but we are a people inclined to idealistic extremes. Twice during the 20th century we have given in to the temptation of having artificially implanted in our country a social model which has been borrowed and alien and has crippled Russia's creative and production strength. And during the past few years there has been a new political struggle going on between the two borrowed ideologies — the liberal and the communist — while a third force, which is energetic and patriotic in spirit, has still not been able to take shape.

Can patriarchal principles — whether it be the monarchy, the Slavophile movement, or the Orthodox religion, which has unfortunately not yet become a dominating force — finally become a sufficiently strong pillar of strength for the construction of a new social order and a state in line with it, based on the imperative of the interests of the Russian nation? I think not.

At the same time, this pillar of strength must be sought in Russia's special features. Russia is still an industrial country, the majority of its population lives an industrial way of life. This makes it possible to appeal to its conscience to support a policy of preserving and developing Russian industry with the aim of obtaining support for it. This essentially pragmatic economic approach could become attractive to many other social groups, given that industry requires a high level of education and science for normal development and is the source not only of means of maintaining health protection and culture but also of accumulating resources — the most important condition of entrepreneurship.

So is the industrial party the party of "Russia's labor freedom," we will be asked, just as the Agrarian Party is the party of the rural population? The answer to this question is not so simple. Yes, Russians' frame of mind in the 11th year of the anarcho-liberal reformist evil is such that confidence in the "ideologically" concerned parties and groups of politicians is declining to zero. The entire spectrum of colors, from the bright Red Anpilov to the lily-white Gaydar, only gives the man in the street indigestion. We, the industrial party, will unite people not on the principle of political beliefs or prejudices. People can have any beliefs, ranging from monarchist to social democratic. But we will unite them around what the majority of our compatriots are thinking about: bringing back work with decent pay and access to a decent education for children and finally giving people the opportunity to influence the authorities in defending their own interests. That is why our rules contain the right to belong to other parties, and this principle of tolerance and acceptance of everyone except compradors and irresponsible social experimentalists can provide an extensive all-Russia electoral base.

It would not be out of place to recall that, if no influential parliamentary force capable of conducting a political line in support of domestic industrial and financial capital is formed int the 1995 elections, then Russia's future is simple — it will degenerate. An unprecedented scientific-technical counterrevolution will be successfully concluded by the time of the next elections, and Russia's transformation into the "world's stoke- hole" will be the only possible way the population can survive. So let the results of the 1993 elections, when the divided industrialists gave complete control of the pragmatic centrist political stance to Civic Union — which in its temperament resembled Hasek's unforgettable party, "Moderate Progress in the Framework of Legality" — be a lesson to us. Times are different now, and no political temperament will replace the network of organizations spreading throughout the country, conducting election work. That is why preventing the ambitions of some of our leaders or our antipathy toward others from tearing asunder the cooperation which is taking shape is the main task for all responsible supporters of a method of unification which is industrial by name but profoundly national in its essence.

If we try to imagine what Russia represents in the historical aspect as a civilization, then we must admit that this is the only case in the world where such an unbelievable number of cultures, religions, and ethnic groups have combined in such an enormous geographic space, interacting and imparting new qualities. This complex system of civilization is a kind of model of the world. And the crux of the matter is that the whole world is moving toward this position.

But what do we see today on the Russian political scene? The political forces which are not burdened with this type of philosophy can be conditionally divided into three organizational groups according to the method of influence on the voter.

The first. This is a group of left-wing parties which influences the voters by means of promises of social justice. The percentage of the electorate voting unequivocally for this bloc can be assessed at 10-15 percent. And approximately another 10 percent of waverers. The main thrust of the attitude here is nostalgia for the socialist past and state regulation of all aspects of society's life.

The second group in the political spectrum — the liberals — is rather smaller in terms of numerical strength, and today accounts for approximately 10 percent of the electorate and approximately 7-10 percent of waverers. The main thrust of influence here continues to be denial of the past and an appeal to a future that is cosmopolitan in substance, but with such an attractive appearance in the West.

Finally, **a third political group** has formed. This appeals to the patriotic feeling of the electorate, indeed in its most primitive form: "shame about the state power." This bloc can also count on definite votes from 10-15 percent of the electorate, and approximately 10 percent of waverers.

But there is also a **fourth group of voters.** It is roughly equal to the previous one in terms of numerical strength, and involves those who are disillusioned with the political experiments in Russia and have stopped participating in elections. They will return to the polling places only on condition that they are offered something along the lines of what I spoke about at the beginning.

In all, you can say that **40 percent of the Russian electorate consists of people with whom the electoral bloc based on an industrial party could work actively**. Apart from the aforesaid, in what way can a bloc with such rules and ideas be attractive?

First and foremost in its centrism, that is, in its repudiation of radicalism. But this does not mean embarking on the path of following circumstances in a weak-willed way. It means a transfer to professionalism in the policy of running the economy, taking reality into account, and being able to overcome difficulties. Therefore the main distinction of the industrial party is not in its ideas, although we have and will continue to have our own concepts of coming out of the crisis, but in an ability to implement them.

So what are the possibilities of creating an electoral bloc **and who can be our allies?** They could certainly include **trade unions**.

Second, a corporative structure of associations of industrialists and entrepreneurs.

Third, a number of political parties of a moderate left-wing orientation, and we have already had offers from these as regards cooperation within the bloc. This could also mean a whole series of new political organizations of a non-party type and political movements, which have declared principles similar to the ones we are talking about.

And finally, **the fourth resource** is **work in electoral okrugs in territories where agreement can be reached on the support of specific candidates** with all representatives of any political structures apart from those of a radical and extremist hue.

Analysis shows that half of the 40 percent of the electorate I have named can already be attracted to the side of such an electoral bloc today. This means that a real force is emerging which is comparable with all the others, and is pursuing the policy which we are talking about.

FSB Director Stepashin Interviewed on Chechnya

LD1005172895 Moscow INTERFAX in English
1435 GMT 10 May 95

["Exclusive" report No. 19 of 121]

[FBIS Transcribed Text] **DUDAYEV HAS NEVER BEEN CENTRAL FIGURE OF CHECHNYA'S REGIME — FSB DIRECTOR**

The director of the Federal Security Service (Russian acronym FSB), Sergey Stepashin, visited the Chechen republic in early May. During his trip, he took part in a number of activities to restore Chechnya's economy and ensure the security of its strategic installations. He also enforced the moratorium on military operations imposed by a presidential decree. An Interfax correspondent interviewed Stepashin on the situation in Chechnya.

IF: It has been repeatedly stated that the "military stage" of the Chechnya operations is over. When and under what circumstances will it be really over? Will the federal troops continue operations to destroy militants in mountainous districts?

S. STEPASHIN: To complete the military stage of the Chechnya operation, three conditions must be met.

The main and principal condition is the civilian population's support of Russia's Constitution and its intention to peacefully settle the situation in the republic.

Secondly, all illegal armed formations must be disarmed. The question is primarily heavy weapons. The bulk of it has been seized and destroyed by the moment. We understand that small arms are a "traditional accessory of the national costume," as they say in the republic.

In fact, the dagger as a compulsory accessory is long gone into the past. However, thanks to Dudayev's efforts to allow people to keep and carry automatic arms, the assault rifle literally became an habitual thing among the Chechens. Much will have to be done to make this "attribute of aggression" disappear into the past as well. However, the goal is far from simple, because an assault rifle is also of material value, having cost a lot of money.

Thirdly, I believe that Bamut and Vedeno are not the ultimate solution to the problem. That is why the next step is to stop bandit-like raids on the federal troops as they return to their permanent locations, including military settlements abandoned in 1991-1992.

The first and partially second conditions have been met. The bulk of Chechnya's people want an end to the war and do their best to near it. Elders and civilians oust militants out of villages themselves. For some, it costs their lives.

As for the third condition, we think it can be fulfilled already within a "police operation."

IF: Can pro-Dudayev militants unleash a partisan war in Chechnya? Can they create their bases, "partisan-controlled zones" in the mountains from where they will raid on the republic's valley part?

S.: In its classic version, a partisan war in the Caucasus is impossible. I have already said that the population of the whole Caucasus, not only Chechnya, want peace. Most people realize that a partisan war in any of its forms will only extend the conflict, sharpen the differences and create blood feud.

Our talks with elders and civilians give reasons to believe that they will not act as participants of the partisan war. Therefore, we will deal with bandits rather than partisans. By the way, the last post-war bandit was caught only in 1978.

I would like to note that we do not hope for an easy settlement of the conflict. That is why the FSB has created a department for the Chechen republic, one of the biggest territorial divisions to include a task force to fight banditism. IF: How many mercenaries did fight on Dudayev's side? Which countries did they hail from? How much were they paid?

S.: The total number of mercenaries will be drawn on the basis of legally established facts. Mainly they hail from Moslem countries. Today many of them leave Chechnya. To avoid interference in foreign policy, I will not name specific countries. I will only say that we have held talks with the leaders of those countries. As a result, they assured us that they will take all efforts to prevent their citizens from interfering in Russia's internal affairs.

Recently, we extradited one of the captured mercenaries to a state whose legislation envisions criminal penalty for this kind of activity. This state is Ukraine. According to Ukraine's penal code, this crime is punished with a term of imprisonment of up to 15 years.

They were promised quite a good money, from $800 to $1,500 a month. Some foreigners received bonuses for every killed Russian soldier. However, it is known that many mercenaries were killed by the very militants in order not to pay — it proved less expensive.

IF: Are there special activities to prevent Dudayev from escaping abroad by air, for example through Georgia?

S.: As for the air transport, this is a business of the anti-aircraft defense. Our goal is to capture Dudayev on the ground.

IF: It is known that representatives of the federal authorities contact the chief of the Chechen general staff, Aslan Maskhadov. Has progress been achieved?

S.: I would like a more exact wording. For us, Maskhadov is no chief of the staff, moreover general. Armed forces that do not exist cannot have staff. The talks are held with the field commander Maskhadov. Our goal at the talks is the militants' disarmament, capitulation, release of Russian hostages. For Maskhadov, it is important to take time to regroup the forces. Illegal armed formations used all earlier ceasefire agreements exclusively for this purpose.

IF: What kind of lesson did the Chechnya operation taught the counterintelligence? What of it could be eventually used and where?

S.: The main experience is that we have ascertained that after all reorganization we did not lose strong and courageous men who can fulfill an order.

Another important lesson is that no compromise with bandits is possible. The three years of delaying the resolution of the Chechnya issue spelt thousands of refugees and dozens of those killed by criminals. There can be no compromise while defending Russia and its interests. We did not make it, it is none of our business to destroy it.

I do not even speak of Chechnya's display of the damage inflicted on the state security service by various experiments. To successfully solve the issue of preserving the country's territorial integrity, it is necessary to strengthen rather than debilitate state institutions such as our service.

IF: Has a plan to suppress points of resistance in Grozny with special purpose units been considered, like when storming the presidential palace in Afghanistan in 1979? If so, why was not it implemented?

S.: Groznyy is not Kabul, while Chechnya is not Afghanistan. However, your point of view contained in your question has the right to existence... We hoped that the task will be solved with local actions and relied too much on the opposition. Possibly, we overestimated its capacities, while delaying action resulted in circling

Dudayev's palace with a large number of armed people where a special purpose unit would be doomed to fail.

IF: But anyway, could you name the countries from which the Dudayev regime received arms both before and during the military operation? In the "Chechnya White Book" of the FSB Public Relations Center mentioned an Azerbaijani former deputy interior minister who supplied Chechnya with rockets to the multiple launcher Grad...

S.: I will not speak about specific countries, because, I repeat, their political leadership has repeatedly stated its non-interference in Russia's internal affairs. With some of them, we solve these issues through the Foreign Ministry. "The Chechnya White Book" was compiled exclusively on documents.

IF: Did any documents witnessing Dudayev's close contacts with Russia's political, industrial, financial, military circles or public figures after a part of his personal archive was discovered? Is Dudayev actually the central figure of the regime, armed resistance to the center or a screen for other persons?

S.: Dudayev has never been the central figure of the regime created in Chechnya, he is too extravagant for that. As far as specific persons are concerned — not only in Chechnya — we will speak later.

IF: What "centers of tension" did appear in Russia during and because of the Chechnya operation? How would you describe the actions of the leaders of these regions on the situation in Chechnya? Is an aggravation of the situation in the densely Chechen-Akin-populated part of Dagestan possible, or the situation in under control?

S.: There are no such centers. The views of the leaders of some regions who took an alternative stand on the Chechnya crisis represent pain over the situation rather than support of Dudayev. The positions laid out by a number of regional leaders cannot be a case for judicial proceedings. I repeat, let the history judge between us.

As for the Chechen-Akin, none of them has been seen among Dudayev's fighters.

IF: Has your service established any facts confirming the Dudayev-announced preparation for spreading military operations all over Russia? Have there been any attempts of terrorist or sabotage acts outside Chechnya?

S.: There have been many statements from Dudayev's side, while deeds were isolated. Today we are able to control the situation in the whole of Russia.

WILL THERE BE LAW ON PRECIOUS METALS AND STONES?

The State Duma in April turned down the draft law on previous metals and stones. The bill was presented by the Russian committee for precious metals (Roskomdragmet) at the full-scale session of the State Duma and its chief critic was the Vice-President of the Saha Republic (Yakutia) Vyacheslav Shtyrov. In the following interview he explained the position of the Yakut authorities.

IF: The State Duma examined two options of a future law: the so-called presidential one, developed by the committee for precious metals and signed by the President, and the Yakut one, submitted by the republican legislature, the State Assembly. However, shortly before the State Duma met in full-scale session its leaders received two messages. One from the Yakut President Mikhail Nikolayev, and the other from the chairman of the House of Representatives of the Yakut Parliament Afanasy Illarionov. Both supported the idea of adopting the presidential draft after the first reading. Why were you then so critical of the draft at the Duma's session?

The State Duma's draft resolution said nothing about the mandatory incorporation of alternative proposals. The whole affair was presented in such a way as if we had withdrawn our own draft. That was the reason why we changed our attitude to the possibility of adopting the presidential version of the bill after the first reading.

I must say that the economic and social situation in the Saha Republic largely depends on the diamond and gold-mining industries, which account for the lion's share of Yakutia's national income. We have invariably taken an active part in developing and submitting to the Russian parliament the law on precious metals and stones as the legal, technical and economic basis of gold-mining today and tomorrow.

That first law dates back to 1993. Already then two fundamentally different opinions clashed. One, outlined in the Roskomdragmet draft, was confined to the full state monopoly on all transactions involving precious metals and stones — from geological prospecting to the sale of products to customers. The other draft, though it stated that government needs were a priority, permitted the formation of a strictly controlled by the government market of silver, gold, platinum and precious stones. That point of view was shared by the mining regions and producer associations.

After heated debates in both houses of the former Supreme Soviet and in the conciliatory commission a compromise draft took shape. It suited both sides. It was adopted after three readings and was due to take effect at the end of October 1993. The subsequent events too well-known to mention prevented that.

It might seem that all the newly elected legislature, the State Duma, had to do was to adjust the already agreed law to the new Russian Constitution and adopt it. However, the State Duma decided to examine the already mentioned presidential bill, which relied on the same old ideas of Roskomdragmet. In a situation like that we had to come out with an alternative "Yakut" option. The discussion of both drafts in the State Duma on December 6 1994 and the recent All-Russia conference of gold producers showed that the mining regions and producers remain committed to the basic ideas contained in our version of the law. Just as it was the case in 1993, the Saha republic represents their common point of view. You know perfectly well what happened next. We are at square one again.

IF: What makes you firmly stick to your original positions?

SHTYROV: In the first place I would mention the state of affairs in the sub-industries that mine precious metals and stones. Production has declined with every year. Last year Russia's gold production was down again as compared with the previous year. The financial and economic position of enterprises is critical. Most are unable to even support themselves, let alone yield profits, and twenty have been found insolvent.

Roskomdragmet and its chairman Yevgeniy Bychkov have been working really hard in a bid to stabilize the situation. In the context of overall financial constraints advance payments to gold-mining enterprises in the Far North working seasonal cycles go on. Measures have been taken to formulate a new technical policy and introduce technological innovations. Incentives to building up output are being worked out.

However, we are certain that even the most strenuous organizational efforts will fail to improve the situation, because the industry's economic structure dates back to the 30s and it keeps reproducing critical situations. Full state monopoly on transactions involving previous metals and stones leaves enterprises no chance to conduct independent pricing, financial or investment policies. At the same time the government is no longer able to keep up centralized financing of the industry.

Current costs alone are estimated at $3.3 billion. Technological modernization of gold mining has been a pressing need for along time. Placer deposits have been exhausted and gold mines will require more than $2 billion to develop. It would make no sense to take an equivalent of several billion dollars out of the national budget for the annual purchases of precious metals from mining enterprises only to sell them at nearly the same price to eventual customers.

We see a way out in the transition from state monopoly to strict control of the market of precious metals and stones. The interests of the government would be protected by the right of first purchase, by a system of licensing transactions involving diamonds, gold and other precious metals, by limiting the range of buyers and by setting terms of sales and flow patterns of raw materials. The metals remaining in the enterprises' possession after the sale of mandatory amounts to the state would be used by the producers for mortgage or credit transactions, for the production of jewelry, in foreign economic activity and for the sale in the home market at free prices. All this would help stabilize the industry's finances and attract investments.

The Diamonds of Russia-Saha company established under special presidential and government resolutions is evidence that this kind of approach is correct. Independent in selling its products (under the strict government control) in the home and external markets, Diamonds of Russia-Saha has over a period of two years managed to push up sales, though production rates have declined. It has conducted an active investment policy, too. Yevgeniy Bychkov played a key role in forming that company. That the Russian committee for precious metals has walked back on the project it developed itself looks very strange.

As a matter of fact our conflict boils down to different approaches to the question of ownership of precious metals and stones. The Yakut version of the law stipulates that gold, diamonds and other natural valuables are owned by the state. Those mined in a legal way become the property of the producer, for whom the state is the first, main and priority buyer, but not the sole one. The Russian committee for precious metals believes that precious metals and stones in any form, everywhere and always shall remain state property. This is the reason why market-type relations in the Roskomdragmet version of the law are replaced by disinterested hand-over, a typical feature of an economy managed by decree.

We have another fundamental objection to the presidential version of the law. It says that all transactions involving precious metals and stones shall be performed by the Russian committee for precious metals. We believe that government bodies should in no event be involved business relations as direct participants. Otherwise, there will emerge the problem of a watchdog body. Control is a function pertinent to the state, after all.

Allegations in the mass media of the widest political spectrum about cases of abuse in the sale of diamonds from Russian state reserves only confirm how serious the problem of control is. Not that we believe that such abuse does take place on any significant scale. For that reason we should rule out the slightest risk of discrediting civil servants. Such a risk is inevitably present in a situation where the watchdog body is also a businessman.

IF: What course will the work on the new law take?

SHTYROV: The conciliatory commission is now working on the draft under the guidance of the State Duma committee for budget, taxes, finances and banks. We are certain that mutually acceptable solutions will be found, just as it was the case in 1993. All diamond and gold producers need this law very much. On the one hand, it is expected to free enterprises from the web of outdated instructions, and on the other, to foster everything new the industry has achieved so far.

Enterprises Privy to State Secrets To Be Licensed

MM1005120095 Moscow ROSSIYSKAYA GAZETA in Russian 5 May 95 First Edition p 5

[Unnumbered and undated Russian Federation Government Decree "On Licensing the Activity of Enterprises, Establishments, and Organizations To Carry Out Work Involving the Use of Information Constituting a State Secret, the Creation of Data Protection Facilities, and the Implementation of Measures and (or) the Provision of Services To Protect State Secrets" signed by Chairman of the Russian Federation Government Viktor Chernomyrdin]

[FBIS Translated Text] In accordance with the Russian Federation Law "On State Secrets" and with a view to establishing a procedure to allow enterprises, establishments, and organizations to carry out work involving the use of information constituting a state secret, the creation of data protection facilities, and the implementation of measures and (or) the provision of services to protect state secrets, the Russian Federation Government decrees that:

1. The Statute on Licensing the Activity of Enterprises, Establishments, and Organizations To Carry Out Work Involving the Use of Information Constituting a State Secret, the Creation of Data Protection Facilities, and the Implementation of Measures and (or) the Provision of Services To Protect State Secrets (not published) is approved.

2. The size of payment for examining applications for the issue of licenses to carry out work involving the use of information constituting a state secret, the creation of data protection facilities, and the implementation of measures and (or) the provision of services to protect state secrets is set at 10 times the minimum wage. The proceeds from examining applications and issuing licenses go into the federal budget, whose resources are used to maintain the body empowered to carry out the licensing activities.

3. The Russian Federation Federal Security Service, the Russian Federation Presidential State Technical Commission, the Russian Federation Presidential Federal Government Communications and Information Agency, and the Russian Federation Foreign Intelligence Service, together with interested Russian Federation ministries and departments should within a three-month period devise the package of organizational, material-technical, and other measures required in order to license the activity of enterprises, organizations, and establishments to carry out work involving the use of information constituting a state secret.

4. It is laid down that enterprises, establishments, and organizations permitted to carry out work involving the use of information constituting a state secret at the time of adoption of this decree can carry out this work during 1995.

[Signed] Chairman of the Russian Federation Government V. Chernomyrdin

International Russian Mafia Termed 'Myth'

954F2255A Moscow SEGODNYA in Russian 28 Apr 95 p 7

[Report by Artem Vetrov, under the "The Mafia" heading: "The 'Tver Cosa Nostra' and the 'Smolensk Triad'"]

[FBIS Translated Text] At their regular briefing yesterday, representatives of the Russian Federation MVD [Ministry of Internal Affairs] decided to dispel widespread myths in the West about the "Russian mafia." Aleksandr Dementyev, deputy chief of the Main Administration for Combating Organized Crime (GUOP), said that Russian law enforcement organs "learned" of the existence of the "Russian mafia" for the first time at the end of 1992 from foreign newspapers. Since the incidence of such reports, which frequently quoted members of local special services and police, began to grow in geometrical progression and on top of that information came through Interpol regarding the increased number of crimes committed by former USSR citizens abroad, naturally, the Russian MVD decided to look into this problem. Official inquiries were sent to nine European countries, asking to provide information on current and former citizens of Russia charged with criminal offenses there. As a result, it turned out that most countries do not keep such statistics at all, and in Poland and the

FRG our compatriots account for no more than 0.7 percent of all crimes committed there. This did not close the "Russian mafia" topic, however.

Last year the fanning of fears of the threat of Russian crime abroad reached its peak. Over this time, GUOP personnel conducted a huge volume of work checking the alleged ties between Russian financial and commercial structures and the Italian mafiosi group Ndragetta [as transliterated]. The detectives looked into all Russian and foreign firms that have ties to Italy, and again came up with nothing. Besides, over this time no Western special service made available to Russian bodies any information on the existence anywhere in the world of an organization even remotely resembling the "Russian mafia." Mr. Dementyev noted that of course the problem of crime among USSR natives (who are usually thought of as the "Russian mafia") does exist, but not on the scale and not to the extent presented in the West.

Yuriy Melnikov, the Interpol bureau chief in Moscow, added that the usage of the term "Russian mafia" makes as much sense these days as, for instance, a "Smolensk Triad" or a "Tver Cosa Nostra." First, this is supported by foreign law enforcement organs' own information. According to preliminary data, over the entire past year our compatriots in Europe committed about 140 crimes. Most of it is hooliganism (out of habit, or while intoxicated), fights, theft, etc. And only no more than 10 percent may be attributed to organized crime. Second, much of what is being put out by foreign journalists and sometimes officials in reality turns out to be a "canard," to put it mildly. An example of this was the seizure of the "Russian plutonium" in Germany. It is noteworthy that after this incident, an inspection of inventory of radioactive materials was conducted at the directive of the Russian president. It turned out that there had not been a single theft at Russian facilities handling nuclear materials suitable for making nuclear weapons. All in all, 70 crimes involving radioactive materials were uncovered over the past year and a half, and only half of them were thefts. The miscreants' targets, however, were sources of ion radiation and mildly enriched derivatives of uranium-238.

Mr. Dementyev noted that Russian organized crime abroad is represented by traditional gangster groups, far from numerous and quite disparate. According the Interpol data, 393 our compatriots are currently on the wanted list abroad at the initiative of the Russian side; for nine of them there are outstanding arrest warrants. Western countries last year put 350 Russians into the Interpol information bank, 19 of them with the notation "red corner"—particularly dangerous. Interestingly, the Interpol base also contains the names of all "crime bosses" and "crime authorities" known in Russia.

What is much more dangerous, in Mr. Dementyev's opinion, is that the obviously unrealistic information regarding the "Russian mafia" is being used increasingly often in official documents and reports, including those of international organizations. For instance, at a recent meeting on social development in Copenhagen, one of the UN documents said that Russian criminals control all prostitution in Europe and ship more than a quarter of a million stolen cars to Russia every year. What is more, this is being done despite widely known true information indicating completely the opposite. For instance, after the sensational murder of the Chechen Utsiyev brothers in London, the British intelligence, police, and customs conducted a special investigation. In the end, they did not find a single Russian prostitute in London, let alone criminal groups.

Mr. Dementyev noted that a much more topical problem currently facing the law enforcement organs is "money laundering" by criminals and returning to Russia money and valuables taken abroad. According to the Interpol data alone, about $80 billion were illegally transferred from Russia in 1994. Because of the lack of a legislative and even a normative base, the Russian MVD is powerless to do anything. It should be noted that our Western partners themselves are not terribly eager to establish cooperation in this area. Strictly unofficially, Russian specialists explain this by political motives. Many among them also attribute the "Russian mafia" hysteria to this factor.

Official on Crime Fighting Program Provisions

MM1005130995 Moscow ROSSIYSKAYA GAZETA in Russian 5 May 95 First Edition p 5

[Commentary by Anatoliy Korotkov, deputy leader of the interdepartmental working group to elaborate a draft federal program to intensify the fight against crime for the years 1996-1997, on Russian Federation Government Directive No. 554-r of 21 April 1995 setting up the working group, published under the general headline "All Together Against Crime" — first paragraph is introduction]

[FBIS Translated Text] Anatoliy Korotkov, deputy leader of the interdepartmental working group and chief of a sector of the Russian Federation Security Council Interdepartmental Commission for Fighting Crime and Corruption, comments.

I led the group which elaborated the currently existing federal crime-fighting program (for the years 1994-1995) and I want to stress that the new program for 1996-1997 will be a natural continuation of the first and will incorporate its spirit and conceptual approaches.

The aim of both the previous and the new program is to devise a range of measures in which not only law enforcement organs but also all ministries and departments without exception should participate: the Ministry of Social Protection, Gosgortekhnadzor [Federal Mining and Industrial Inspectorate], Defense Ministry, Ministry for Emergency Situations, and even the Ministry of Culture.

We must proceed from the premise that crime and a criminogenic situation arise wherever the social roots and the preconditions necessary for its emergence exist. In other words, in order to fight crime effectively, first of all these roots have to be cut off. We are talking about even such apparently obvious things as proper lighting in squares and streets, ensuring the proper fire service operations, guarding depots and storage facilities containing ammunition, weapons, and explosives, and so on. That is why everybody must participate in implementing the federal program.

I want to note that, despite the difficulties over funding, the main objectives of the currently operating program are being successfully achieved. I do not agree with those who assert that Russia has been swamped by a crime wave. The situation is, of course, very difficult. But state structures are exerting great pressure on crime and, were it not for this, matters would be much worse.

It must also be borne in mind that crime has in itself become considerably more complex. Even very recently we did not have the faintest idea of the nature of corruption and organized crime or the meaning of "killer" [English word published in Russian transliteration] and contract killing. But now these phenomena are all around.

That means that these areas must be included in the new program. But to do this the working group must have the necessary legal base. We urgently need such legislative acts as laws on state service; social rehabilitation of citizens returning from places of confinement; combating corruption; immigration and a procedure covering foreign citizens staying in Russia; foreign economic activity; accountability for the legalization of criminally acquired income, and so on. All these legislative acts have been elaborated and submitted to the State Duma by the relevant ministries and departments. But for some reason the deputies are in no hurry to adopt them.

Media Issues

Newspaper Seen Resisting Financial Audit

MK1105111495 Moscow MOSKOVSKIYE NOVOSTI in Russian 7-14 May 95 No 32, (Signed to press 10 May 95) p 1

[Unattributed report under the "Press" rubric: "Inviolable"]

[FBIS Translated Text] Using up nearly half the funds the state appropriates toward the upkeep of the press, ROSSIYSKAYA GAZETA seems to be beyond the range of any probe.

Even before the audit of ROSSIYSKAYA GAZETA [RG] went ahead in April, rumors circulating around the corridors of the newspaper's office said that guardians in high places were not going to allow the paper to come to harm. True enough, even employees of the presidential administration's Control Directorate, who together with the tax police and the FSB [Federal Security Service] were to launch a probe of the editorial office's financial affairs, were denied access to its financial records. They in fact were interested in simple questions: How is RG spending the taxpayers' money? Why have a multitude of independent joint-stock companies keeping their own accounts been created at RG? Why are taxpayers providing for the comfortable existence of a close joint-stock company?

According to rumors, the newspaper chiefs' letter demanding that the paper become untouchable stands a great chance of winning the favor of the authorities: The auditing will most likely be stopped. One would have thought that even the most unexpected presidential resolution would not elicit anyone's surprise: The present administration's policy of economic and political exception is well-known to us. The whole point is: What are the chiefs of "the best (in their view) newspaper in Russia" afraid of if they spend our money in good faith?

Military, Nuclear & Space Issues

Grachev Effort To Take Over Arms Trade Viewed

MK1105114495 Moscow MOSKOVSKIYE NOVOSTI in Russian 7-14 May 95 No 32, (Signed to press 10 May 95) p 8

[Report by Aleksandr Zhilin, MOSKOVSKIYE NOVOSTI military observer, under the "Commentary" rubric: "The Marshal Has Come Out of the Trenches"]

[FBIS Translated Text] An answer to the question of who needs a scandal over the "Rosvooruzheniye" company has come from a completely unexpected direction. The other day Pavel Grachev turned over to the government draft documents calling for the Defense Ministry to be given monopoly right to the arms trade. The reason? "Rosvooruzheniye" has failed to cope with it.

The stepping up of the defense minister's activity had been forecast: His ministry is losing the sources of its "shadow" profits. When it became clear that the Western Group of Forces, which enabled the top brass not only to live opulently themselves, but also to spoon-feed high-level civil servants, was doomed, the question of the arms trade appeared on the agenda.

The expectations pinned on the Defense Ministry's Committee on Social Insurance for Servicemen did not materialize: It never managed to gain the right to export arms. Then, with the direct support of Georgiy Khizha and Petr Aven, the "Voyentekh" state company was set up specially under Pavel Grachev, which finally was given this right.

Presently it is an open secret that the defense ministry is engaged in arms deliveries via secret channels. At any rate, weapons regularly reach hot spots and from there spread everywhere. Where the money for the deliveries is flowing and to whom has not been publicized. Presently specialists think that the arsenals of the 14th Army are also being prepared for sale once its commander, General Lebed, is removed. They hint that the Defense Ministry has long-standing obligations to buyers and that Pavel Grachev needs a reliable "cover" to continue the business.

In fact, the scandal over "Rosvooruzheniye" is the culmination of a tussle between Pavel Grachev and Aleksandr Korzhakov. Kremlin sources have reported that the confrontation started ratcheting up a couple of months ago. The feeble actions of the army chiefs in Chechnya added fuel to the fire, as it became clear that corruption in the armed forces greatly exceeds their level of combat readiness. Then, if information from the Kremlin can be trusted, Aleksandr Korzhakov said unequivocally that the army should be headed by professional insiders capable of putting an end to its degradation, not generals with tradesmen's habits.

Grachev, sensing a real danger, has launched a counterattack on Korzhakov. What he has been whispering in the president's ear remains a mystery, but there have been rumors that he has managed to become even closer to Yeltsin than the chief presidential bodyguard. This circumstance largely explains Grachev's zeal.

The scandal over "Rosvooruzheniye," which has been supervised by Korzhakov from the outset according to a presidential edict, is to Pavel Grachev's advantage for two reasons. First, he may get in another shot at Korzhakov for allegedly having a vested interest in meddling in the operations of "Rosvooruzheniye." Second, he will attempt to grab control of the company and run this super-lucrative business singlehandedly.

Marshal Yevgeniy Shaposhnikov, who has until recently remained an outside observer of the under-the-carpet fight, appears to have also come out of the trenches. At a news conference last Thursday, he effectively threw his weight behind Korzhakov. He did not have much choice, though.

"One may have various views regarding Korzhakov, but I have repeatedly been convinced that this is one of the few people in the Kremlin who are trying to oppose the across-the-board sale of the country and the selling out of its national interests. At any rate, if it hadn't been for his assistance, we would not be able to audit "Rosvooruzheniye" so thoroughly and objectively," Marshal Yevgeniy Shaposhnikov said in a conversation with me.

One should pause to think whether a business like the arms trade can depend exclusively on the decency of one general or another?

A mutual defeat of the warring sides may bring about a situation on the arms market where a serious state organization will be replaced by numerous semi-criminal structures.

Intelligence Service on Nuclear Material Security

LD1105131795 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1520 GMT 10 May 95

[FBIS Translated Excerpt] The Russian Foreign Intelligence Service [FIS] is not aware of a single case of weapons-grade nuclear materials being smuggled out of Russia. This was stated by the press secretary of the FIS director to the Ekho Moskvy radio station.

To recall, STERN magazine alleges that Viktor Sidorenko, Russian deputy defense minister for nuclear energy, was involved in the 1994 scandal when 239 grams of weapons-grade plutonium was brought to Munich.

"There may be some minor theft from Russian civilian nuclear installations, but the military nuclear network so far appears to be sealed," Tatyana Samolis said.

"Only an expert analysis can reveal where the radioactive materials were manufactured and where they come from. These analyses have proved that there has been no smuggling of weapons-grade nuclear materials from

Russian territory," she added. [passage omitted — reiteration of allegations that the Munich plutonium was of European origin]

Scientists Oppose START II Ratification

95WC0042A Moscow SOVETSKAYA ROSSIYA in Russian 8 Apr 95 pp 1, 3

[Article by leading Russian experts in the nuclear arms sphere: "Nuclear 'Pincher': The START II Treaty, the American 'Escalation of Superiority' Strategy, and Russia's Strategic Nuclear Forces"]

[FBIS Translated Text] Kremlev (Arzamas-16)—U.S. Secretary of State Christopher insists that the Russian parliament... must get a move on.

The last issue of SOVETSKAYA ROSSIYA published a document from a news release put out by the U.S. Embassy in Moscow. Speaking at the Institute for Study of the Problems of Russia and East Europe, Secretary of State Warren Christopher demanded in strong terms the ratification of the START II treaty—on a reduction in offensive arms "before the start of the May meeting of leaders of the United States and Russia." As the U.S. secretary of state declared, "the Russian parliament...should get a move on and adopt the ratification decision."

In today's issue SOVETSKAYA ROSSIYA publishes analytical material by leading Russian experts in the nuclear arms sphere—S. Voronin, chief designer of the All-Russia Experimental Physics Research Institute Federal Nuclear Center, V. Voronov, chief of the Nuclear Arms Problems Analysis Department, scientific associate S. Breskun [as published], and L. Denisov, senior scientific associate of the Nuclear Arms Problems Analysis Department of the All-Russia Experimental Physics Research Institute—scientists from the city of Kremlev (Arzamas-16).

We would like to begin this critical discussion, which is addressed to the legislators and society, with the statement that our own nuclear forces are today in such a condition that without due public attention to them we simply run the risk in the future of being deprived of them without the need for any treaties. With all the ensuing consequences.

It has to be said that the very definition of strategic arms as "offensive" is highly imprecise. The modern nuclear weapons of the great nuclear powers are by their very meaning a unique and effective military-political means of ensuring global stability. They are not intended (if we remain within the framework of political reason, not paranoia) for conducting combat operations, and, therefore, an offensive involving their use is in reality impossible. Only a strategic defense based on the actual presence (but not use) of nuclear weapons as a deterrent mechanism is possible and judicious.

It is useful to begin any analysis with the history of the issue. Without going into it in detail, we will, however, highlight the main point: military-political, military-engineering, and geopolitical realities made for the asymmetrical development of the strategic arms of the USSR and the United States. For a long time the United States made successful use of both the inaccessibility of its own territory for the delivery systems of those years and the vulnerability of our territory from numerous military bases, the number of which around the Soviet Union was at one time computed in the hundreds.

The geopolitical position of Russia and the United States differs fundamentally: We are a continental power, the latter, oceanic. And for this reason the sides' strategic nuclear forces (SNF) have, perfectly justifiably, a different structure. Only after the creation of our own intercontinental ballistic missiles did we really rid ourselves of the threat of effective nuclear blackmail. What has been said is not an invention and is not propaganda.

There is a serious study by the American physicists Mikio Kaku and Daniel Axelrod "United States: Gamble on Victory in a Nuclear War. The Pentagon's Secret War Plans," which even says in the preface: "This book reveals what **American** (our emphasis—authors) leaders and nuclear strategists were contemplating...in these fateful 40 years. Truth to tell, this is a terrifying story."

It is hard not to agree with this assessment, it being sufficient to glance at the summary of the plans for a nuclear attack on the USSR adduced by these authorities.

Pincher, adopted 1946: use of 50 nuclear aerial bombs against 20 cities of the USSR

Broiler, adopted March 1948: use of 34 nuclear aerial bombs against 24 cities of the USSR

Sizzle, adopted December 1948: use of 133 nuclear aerial bombs against 70 cities of the USSR

Trojan, adopted January 1949: —

Shakedown, adopted October 1949: use of 220 nuclear aerial bombs against 104 cities of the USSR

Dropshot, adopted 1949*: use of 300 nuclear aerial bombs against 200 cities of the USSR

USAF SAC military plan, adopted 1956: nuclear strike against 2,997 targets on the territory of the USSR

SIOP-62, adopted December 1960: nuclear strike against 3,423 targets in the USSR

SIOP-5, adopted 1974: nuclear strike against several thousand targets in the USSR

SIOP-6, adopted 1982: nuclear strike against several thousands targets

*We would note that even by this time the USSR still did not have a single nuclear weapon, and there was no threat to the United States' national security on the part of the USSR.

Eighteen plans are included in the table altogether (from December 1945 (!) through 1982). Knowing this, it is not hard to understand how pressing the problem of the creation of our own nuclear weapons was for our country.

For the first time the Caribbean crisis revealed vividly the role of nuclear weapons in the prevention of war. And it showed one further thing also: It took just **one** nuclear weapons base on the borders of the United States for "the world to be at the danger line." But there were **several dozen** nuclear bases of the United States in the vicinity of our borders at that time! And we lived without making a tragedy out of the fact that U.S. policy had always been aimed (in the ample and precise definition of the Rand Corporation) at an "escalation of superiority."

The sides' entire nuclear armament activity was pursued, therefore, under the sign of destabilizing initiatives of the United States. This needs to be said plainly—not from a desire to censure, but for the sake of objectivity and true historical evaluations.

The United States was the first to create nuclear weapons themselves, strategic aviation, and a nuclear navy, dispatching to the oceans the Nautilus—the first nuclear-powered submarine. Multiple reentry vehicles, MIRV's, also appeared in the United States in 1970. And with us, only in 1974.

We sometimes forget such things, but this is a **fact**: The tune was called by the United States. We merely "picked up the trail" (sometimes, it is true, in accordance with the Russian custom of taking a long time to harness up and then riding fast, we would even overtake the "leader"). Thus the USSR overtook the United States in the development of the first hydrogen bomb and launched the first ICBM. Although all this was only a short time lead over work being performed in the United States.

The overall backdrop to the development of strategic arms was as follows. It was our own intercontinental ballistic missiles (ICBM's) which made for the emergence of parity relations with the United States. And although we had developed other types of nuclear weapons also—strategic aviation and a navy with missile-firing submarines (SSBN's), the emphasis was always put on ICBM's deployed on national territory. Incidentally, this was the most well-grounded option politically.

Aviation.... The production of heavy bombers (HB) had traditionally been well developed in the United States, and they could be based on Europe. We, however, relied only on our own territory, and the ill-considered decisions of the Khrushchev government in the 1960's and the winding down of work on strategic aviation threw us back drastically.

The submarine fleet.... As we have said, the Nautilus, the first nuclear-powered submarine, appeared in the United States. And from this moment the SSBN's of the United States were upgraded increasingly swiftly. For the latter, the world's most ocean-going power, such a military-engineering decision (at that time, we emphasize) was natural and logical. It did not have to rush the development of ICBM's.

The construction of our own nuclear fleet began (as a retaliatory response) almost simultaneously. But even its rapid development in the 1970's—both qualitative and quantitative—could not have made our SSBN's the fulcrum of the strategic forces. A simple glance at the map of the world explains immediately why for us the sea part of the SNF "triad" could not be their natural basis.

It was essentially primarily thanks to our successes in the sphere of intercontinental missile manufacturing that genuine parity with the United States—both military-engineering and geopolitical— was achieved. And what is most important for us (in the current situation particularly!) is not so much what the structure of others' SNF is as what we ourselves have. It is **our** structure that is important!

And our arms systems which are the most "inconvenient," for the United States are for **us**, on the contrary, the best merely in that they secure the effect of restraint (NOT deterrence!) best. And these are our silo'd MIRV'd ICBM's.

Systemically, ICBM's are less "aggressive" than the mobile components of the SNF. They are easily located and monitored, and their "geography" is confined to the framework of the position area. The "attack" focus is higher for strategic aviation, but this evaluation is particularly fair for the nuclear submarine fleet of the United States—highly mobile, geographically unlimited, and high-speed and, what is most important, with the minimum approach time of the SLBM's. But what is important for us is, as we have said, not so much the focus of others' SNF as what, first and foremost, we ourselves possess.

But what do we and our strategic partner possess today?

The United States breathed new life into strategic arms in the 1980's, successfully combining the advantages of heavy aviation delivery systems with the possibilities of average-speed, but low-flying and hard-to-detect strategic cruise missiles.

Things are not much better with the SSBN's either. Our craft are obsolescent and physically worn—increasingly few of them (less than one-third) are on operational duty. In the United States, 80 percent! Our fleet is locked in inland seas and inadequately furnished with land bases.

Even more menacing is the fact that our SSBN's are clustered at their coastal bases and are becoming a tempting target for a first strike: It is far simpler to destroy them in base than to seek them out one by one in the ocean.

Our boats are not only old physically, they are, in addition, insufficiently sophisticated and are located by ASW facilities, as a rule. Building new ones is possible, of course, but...this is now an even more dubious and ruinous task than the building of new strategic aviation.

What has already been said convinces us that the plans for some nuclear "diad" of our own based on SSBN's that are being propagandized do not correspond to the tasks of military-political assurance of Russia's national security.

The United States not only has a powerful SSBN fleet, it also has most powerful anti-submarine defenses. This is what M. Kaku and D. Axelrod have to say about the United States' ASW defenses: "The system of ASW facilities is one of the most important expenditure items of the U.S. Navy's budget. Detection...at a great distance is performed...with a wide net of eavesdropping posts—the SOSUS fixed long-range hydro-acoustic observation system."

Deployed in many areas of the continental shelf and in the vicinity of "narrows" (narrow straits such as off the Kamchatka peninsula and Greenland-Iceland-Britain and also the strait between Medvezhiy Island and Norway), the SOSUS system could determine the location of Soviet submarines to within 10 to 50 nautical miles (this in the mid-1980's—authors' note) or even less in the open seas.

The global system of 211 Orion aircraft united in 24 squadrons could cover practically all the areas in which Soviet submarines patrol, including the coastal "refuges" in the Barents Sea which the Soviet Union needed to maintain the possibilities for a **retaliatory** (our emphasis—authors) strike. In the opinion of the U.S. Naval Command, the "Orion-3 aircraft remain unsurpassed in their ASW qualities and their capacity for conducting observation (more than 300 containers of equipment: automated electronic systems for the detection of submarines, the plotting of their precise location, etc.)."

There remain the strategic missile forces. But it is they that have become the main target that is being "attacked" by the START II treaty....

The ideology of the START II treaty (accepted not only by the American but, however strange, by our side also) was established, essentially, in U.S. President George Bush's speech in Atlanta on 28 September 1991. He then said, in part: "As of the 1970's, the most vulnerable and unstable part of the American and Soviet nuclear forces were the ICBM's fitted with a multiple reentry vehicle. Both sides deployed these ICBM's in launch silos, **where they are more vulnerable than ICBM's deployed on SSBN's** (we highlight the last words in order to return to them later—authors). I propose that the USSR and the United States work out a common agreement on decommissioning all ICBM's with a multiple reentry vehicle (...). This step would eliminate the most unstable (in, we emphasize, George Bush's opinion—authors) part of our nuclear arsenals...."

This assertion was received uncritically, although it contains much that is arguable, and its validity can and should be called in question. But the place of analysis was taken by the hasty START II treaty, whose **outward** essence may be formulated as follows: a reduction in the quantitative ceiling on warheads on strategic delivery systems to 3,000...3,500 and the destruction of MIRV'd ICBM's with the preservation of SLBM's, the ballistic missiles of submarines **(with MIRV's included,** which we note particularly).

The nuclear submarine fleet of the United States is the truly strike and invulnerable basis of its strategic forces.

We will speak later about the summary prospect arising as a result of realization of START II, but some assessments may be made immediately.

Thus the START II treaty destroys heavy MIRV'd ICBM's (with the most powerful operational equipment) completely. A justification for the haste here on the part of our own authors of START II is that they will need to be decommissioned after the year 2000 in any case. These ICBM's cannot be manufactured in the Russian Federation since they were developed at the Dnepropetrovsk Yuzhnoye Design Bureau and manufactured there (at the Yuzhmash). That is, our ICBM's will be "dying out" in terms of service life, and so, in exchange for their rapid reduction, we will obtain a corresponding reduction in ICBM's in the United States also.

But not everything is this obvious—starting with the fact that the "swap" here is made in "figures" which have for their owners a fundamentally different meaning.

First, we would note: **We have to get through** to the year 2000. Second, the United States is insisting, for some reason or other, on the elimination of **all ground**-based MIRV'd ICBM's. Although even with a mutual reduction merely of the obsolete ICBM's and SLBM's the sides would **even in this case** be seriously reducing the level of confrontation. This would be to the benefit of both us and the United States. There would simultaneously be an increase in the organizational and technical safety of the sides' SNF—thanks to the reduction in the number of aging weapons that were being serviced.

That is, were START II to prescriptively fix new (considerably lower) quantitative thresholds formed as a result of the rundown of the service life of a number of nuclear arms, this would in itself be an important step en route to the optimum mutual minimization of the SNF.

In actual fact, START II does point in the direction of quantitative reductions also, but it is simply **us** here who are **dragged** into quantitative reductions that fundamentally alter the **qualitative** structure of our SNF. In a way that discriminates against us. Yet a fair version is obvious: It is necessary to lower the quantitative ceiling on warheads without touching the structures of the SNF. Or, to be even more precise: While preserving the historically evolved **qualitative** parity at all stages of the reduction of the SNF. Other scenarios are possible also, but necessarily taking account of the current national structures.

If the purpose of START II is an increase in the security of **both** states, it is necessary to proceed from what has been said. But it would seem that this treaty realizes the goals only of one side—the United States. And such "accords" may be defined only as unequal.

In the event of the conclusive realization of the START II treaty, the structure of our strategic forces (if their composition includes the systems on which we can really rely, for which there is sufficient S&T and industrial groundwork and for whose reproduction we can provide with the powers of the Russian Federation) and also the structure of the SNF of the United States will appear (in terms of warheads) as represented in the following figures showing the structural composition of the SNF in terms of combat equipment (warheads) of the Russian Federation and the United States.

Russian Federation: 18-22 percent ICBM's (no MIRV's); 60-72 percent SLBM's (all in MIRV's); 6-22 percent HB

United States: 14 percent ICBM's (no MIRV's); 50 percent SLBM's (all in MIRV's); 36 percent HB.

Upon a comparative analysis of the data of the warhead tables, the breakup of our structure of the SNF and the inequity of START II and its destabilizing potentialities can be seen perfectly clearly. Yet much is being said about "partner relations" with the United States at this time....

What does the United States want? A lowering of the level of **mutual** danger (stabilization, that is) or, simply, the maximum weakening of the defense potential of **our** fatherland? If it is seeking the first, this is a worthy and justified goal. If, however, the goals of the United States are objectively unjustified, if it simply wants to make us weak (having destroyed our strategic missile forces while having preserved the structure of its "triad"), then, first, what kind of partnership are we talking about and, second, how can there be any question of ratification of START II providing for the achievement of the goals of the United States at the expense of our legitimate interests?

Earlier all reductions (SALT I of 1972 and SALT II of 1979 and even the draft 1991 treaty on a "50 percent reduction") were based on the principle of a lowering of quantitative ceilings. Structural transformations were delicately regarded as a national prerogative. The START II treaty proposed for ratification intrudes in unprecedented fashion (for the first time, that is) into the very structure of our strategic arms! And this unparalleled interference is of an exclusively destructive (and, consequently, **mutually** destabilizing) nature also.

The apologists for the destruction of MIRV'd ICBM's are explaining and justifying it at this time by the fact that the United States has long been worried by their allegedly "destabilizing" properties. Stationary targets are effectively destroyed, they say, in a first strike, and with the emphasis on these ICBM's there will always, therefore, be the temptation (?—authors) to deliver a preemptive strike. Consequently, there will always be doubts and suspicion on this score. This is why, it is said, it is necessary to deprive the ground-based strategic forces of the potential first-strike means—MIRV'd ICBM's.

The logic, in our view, is more than dubious, and the initial premises, contrived and artificial. Indeed, if earlier, in past tumultuous periods, at the time of real political crises, during the "cold" confrontation (not "partnership," as now), with as yet unobsolete, powerful strategic missile forces, with a strong USSR, and, in addition, with many other conditions favoring a "preemptive" strike, Russia never did launch one, it will certainly not be launching one **now.** Is this not obvious?

But the elimination in accordance with the terms of the START II treaty of MIRV'd ICBM's (as the "destabilizing" part of the SNF of the two nuclear powers) would engender another "instability" far more discernible than for MIRV'd ICBM's. This is Russia's SSBN's representing (following the planned destruction of our silo'd ICBM's) a very tempting target for an effective first strike.

All this involuntarily induces reflection even on the following.... Why is the **total** elimination of the ground-based MIRV'd ICBM's necessary? Is it not in order to wholly deprive the SNF of Russia of if only **some** deterrent capacities even for a hypothetical **retaliatory** strike?

This supposition is also confirmed by the fact that the United States cut back work on SDI only after START II had been signed. Although, with the S&T groundwork that has been achieved, it could be accelerated rapidly and brought to the state of effective actual results. And then even limited systems within the SDI framework plus our "SNF" (in quotation marks) would create an excellent base for diktat.

No, START II in its **present** form has too many dubious properties for it to be ratified recklessly! After all, how does this treaty treat not us but the United States? The fact that it will eliminate the MX modern MIRV'd ICBM's is touted as the biggest concession on its part. It is sufficient to take a look at the full-page material in IZVESTIYA of 10 April 1993 "START II Treaty Strengthens Russia's Security" by military experts V. Litovkin and V. Dvorkin, G. Berdennikov, deputy minister of foreign affairs of the Russian Federation, and A. Arbatov, director of the Center for Geopolitical and Military Forecasts, which discusses the MX also.

But is the price of this concession that great for the United States? In accordance with START II, it can refit (and **intends to do so!**) 500 Minuteman III-class ICBM's (which permit the deployment on them of MIRV's, but which are operated in accordance with START II in a single-warhead version) with new warheads. And in place of the aging Mk62 and Mk78 warheads on 500 Minutemen it is planned to install the new Mk87 warheads, which in a number of exactly 500 will be removed from 50 MX which are to be dismantled, each of which has 10 Mk87's. It would seem that the United States is better acquainted than us with Lomonosov's famous postulate: "If somewhere something is diminished, somewhere something is increased"!

The chain of examples from START II could be multiplied, and they would all be of the same category as the previous example.

The independent expert P. Belov observes perfectly properly that even an unratified START II treaty undermines the defense potentialities of the state and that we should determine our position on it as soon as possible, therefore. A true statement; this **conceptually** unequal treaty should be either denounced or subjected to operational innovation (revision, that is).

And it cannot be said that time does not wait—it has long been let slip.

To conclude this section we would recall that we can still up to the year 2000 somehow ensure national security and systemic parity based on the remaining strategic missile forces. The situation after the year 2000 will be more complicated. What kind of outlook does the START II treaty prepare for **us**?

The missile-firing nuclear submarine fleet of the United States will appear at the start of the new century very impressive: high-speed Trident-2 SLBM's **with multiple reentry vehicles** are deployed on the modern Ohio-class SSBN's. And these submarines should with any turn of events be regarded as invulnerable.

In addition, START II does not limit the deployment of Tomahawk sea-launched cruise missiles, whose numbers may be raised to several thousand. Tomahawk cruise missiles are deployed both on surface ships and on submarines, having a range of 300 km. This enables them to "reach" our territory from the majority of areas of the oceans convenient for the navigation of U.S. submarines. These are essentially strategic weapons.

And for some reason or other no one regards them as a most serious destabilizing fact. They should be....

Both sides' ground-based ICBM's will by this time (if START II is realized) have been deprived **totally** of multiple reentry vehicles. Although the technical possibility of the United States' ICBM's being retrofitted with MIRV's is preserved.

A very distinctive situation fraught with not in the least bit less destability (to adopt G. Bush's terminology and logic) than in the case of the availability to the sides of MIRV'd ICBM's is taking shape: The United States will still have highly efficient MIRV'd missiles (on submarines), we, **will not**. Our "boat" missiles are worse than the American missiles. Their upgrading will require big outlays. Plus the virtual absence of a fleet, for whose modernization sums which are already astronomical are required.

Of our strategic missile forces, there remains essentially, only the single-warhead Topol mobile missiles. Their survivability is so problematical that even the apologists for START II are talking continually about "the need for the increased survivability of our SNF." Although the most judicious option here would be the cancellation of the breakup of the current strategic missile forces that is being prepared.

We should not deceive ourselves with the term "mobile"—the mobility is confined to the position area and its transport infrastructure. These ICBM's are being devalued even more by the increasingly efficient space-based tracking systems being developed in the United States.

We would recall also that the United States itself has **abandoned** mobile ICBM's proper, although there was sufficient talk on this score. They have very many systemic shortcomings (environmental included).

Does not all this indicate how well considered START II has been on the part of the United States and how "well considered" (in quotation marks!) it has been with us? It is appropriate to mention the following detail here also. Nuclear arms manufacturers were not represented at the START II negotiations on the side of the Russian Federation, although a representative of the Energy Department was present from the American side.

So we should inquire primarily as to the extent to which the current structure of **our SNF** is natural and suitable. And it is clear that **today** it is natural. It is based on silo'd MIRV'd ICBM's capable of deterring the possibility of a hypothetical first strike thanks to the fact that a retaliatory strike even by several MIRV'd ICBM's with high "breakthrough" capabilities would be effective. Our submarines here do not so much "threaten" as draw onto themselves a part (considerable) of the forces of a hypothetical first strike. And primarily because of this (not by the high possibilities of a retaliatory strike) lower the probability of a power development of the situation.

Earlier (including the SALT I negotiations) the high contracting parties **themselves** selected the structure of the SNF that was suitable for them, merely lowering the quantitative ceilings of the nuclear arms. Now, however, the United States is choosing both for itself and **for us** SNF structures suitable **for it!** This is, in fact, the whole meaning of START II set forth in a few words.

The strategic forces of the United States do not change their appearance: They remain the same, but more dynamic and select. Their naval component not only is not weakened, but it preserves its predominant position. It is supplied not simply with MIRV'd SLBM's (formally, we will have them also) but with precision strategic missiles (superior to the accuracy of our SLBM's) which are well-concealed, unmonitorable, and invulnerable and have truly mobile basing. We would add to this the Tomahawk cruise missiles.

The U.S. SSBN fleet is fully supported by a fleet of HB with air-launched cruise missiles, and single-warhead (but highly accurate) Minuteman-class ICBM's confront our single-warhead ICBM's. But here also there is a difference: The U.S. ICBM's preserve the technical and design possibility of the rapid conversion of the ICBM equipment to MIRV's, and the number of warheads could more than double overnight here. But we do not have this possibility because the operational equipment of the Topol ICBM is a single-warhead front section (this was how this ICBM was developed).

That is: START II truly intrudes fundamentally and **in destabilizing fashion** into the structure **only of our** strategic arms and breaks it up in a destabilizing manner. And all this to the accompaniment of talk about the "destabilizing" nature of our MIRV'd ICBM's!

It is maintained that silo'd ICBM's are very vulnerable to a U.S. **first** strike (but it is the United States itself that says this!) and that the Russian Federation could for this reason, for example, be tempted to deliver a first strike.... We would simply like to observe apropos such an "explanation": "Physician, heal thyself."

But if we accept this "logic," why, in accordance with this, cannot the powerful submarine fleet of the United States equipped with SLBM's with those same MIRV's or the Tomahawk cruise missiles be regarded as a destabilizing factor?

Our SSBN's are "stopped up" and "shut in" in "narrows": the SSBN's of the United States, on the other hand, move out immediately from the piers of their bases into the free open seas. Ours make more "noise" and are therefore more easily detected. And we have nothing closely resembling the tracking system of that same SOSUS.

That is, the practically invulnerable (and what is even more dangerous, undetectable and unmonitorable) submarines of the United States "wander" freely at will in the ocean depths. So do they not create (to accept the

American criterion of an evaluation of the destabilizing capabilities of this component of the SNF or the other), at a minimum, **no less** of an unstable situation than MIRV'd ICBM's?

And, perhaps, it would then be more logical to mutually draft a treaty, for example, in accordance with which both we and the United States eliminate MIRV'd ICBM's and, simultaneously, **both** (!) nuclear fleets with SLBM's fitted with MIRV's and sea-launched cruise missiles?

Remaining within the framework of a genuinely systemic approach, it has to be acknowledged that the line of argument adduced above converts the allegedly axiomatic assertion concerning the "destabilizing nature of MIRV'd ICBM's" not even to a theorem (to be proved) but simply a groundless statement put into circulation to secure unwarranted unilateral advantages. More precisely, the overwhelming superiority of the United States (which cannot fail to be destabilizing).

An understanding of and agreement with what has been said above automatically signifies the rejection of START II in its present systemic form. But what should the fate of this treaty be in this case? We would recall that there is a precedent. In the mutual relations of our two countries, what is more. The SALT II treaty, which the U.S. Congress never ratified, was signed in 1979. It was, in fact, observed, but this did not impose any mutual limitations on the parties. In May 1986, President Reagan even proclaimed its renunciation.

This is why Russia has every right to renounce START II, undertaking, nonetheless, even unilateral reductions in nuclear arms. We would by such resolve to proceed primarily from **our own** interests strengthen our reputation, rather.

It would be expedient to simultaneously propose that the United States either undertake the novation of START II or conclude a new treaty on large-scale reductions in strategic arms with the provisional name of, for example, SALT-95 (the preferability of the term "strategic," not "offensive," is explained at the start of the article).

Incidentally, the justification of such a policy of Russia is understood even in the United States. In the fall of 1994, Ambassador J. Dean, who was a long-time active participant in the mutual negotiating process, acknowledged in THE WASHINGTON QUARTERLY: "The question of ratification of the START II treaty appears moot. The process of ratification will be difficult at best, and **could require negotiations on the revision** (our emphasis— authors) of certain provisions of the treaty, specifically, those that provide for the elimination of the Russian SS-18 missiles and at the same time leave the United States with a **preponderance** (our emphasis—authors) in submarine-fired missiles."

So actions disavowing START II are necessary in themselves, but will they in and of themselves, even if they are completely successful, be sufficient for the military-political assurance of Russia's national security? Alas, no.

We made our critical assessments of START II two years ago, and the situation was not as threatening at that time. Today the situation is changing fundamentally and for the worse.

This article has been devoted primarily to problems of START II directly, but the threat of a real degradation of Russia's strategic nuclear forces is directly connected with them also. Missile silos are being destroyed and falling into neglect, the submarine fleet is becoming decrepit, and the strategic munitions delivery systems are becoming worn and obsolete. As a consequence of the unilateral moratoriums on nuclear testing, national programs of work on the nuclear munitions themselves have been stymied.

It is in principle perfectly possible to determine rapidly, collectively, and publicly an economical long-term policy for Russia in the sphere of its strategic nuclear forces, but.... But such a policy is possible **only** with its adequate funding.

It would be sufficient for the coming years, for that matter, to put a stop to the unwarranted and inexplicable massive destruction of what has **already** been done. Pretty good military-political guarantees of national security could be secured also thanks to optimization, but it is even more important to simultaneously win society's **understanding** of the entire scale of the problem.

Federal Assembly

Duma Rejects Motion To Discuss Iran Contract

LD1105105695 Moscow INTERFAX in English 1015 GMT 11 May 95

[FBIS Transcribed Text] MOSCOW, May 11 (Interfax) — On Thursday the State Duma declined proposal of the Liberal Democratic Party of Russia to discuss the issue of America's attempts to disrupt the contract on the delivery of Russian light-water reactors to Iran.

A total of 192 deputies voted for it, 9 against and one abstained, the required quorum being 226 votes. The proposal was put forward by deputy Oleg Finko on the instruction of his faction.

Two other proposals of the LDPR faction were declined as well, namely to introduce the issue of the agreement on division of borders between the Russian Federation and the People's Republic of China into the agenda of the State Duma (183 deputies voted for, 5 against, and one abstained) and on the denunciation of the 1991 Belaya Vezha agreement (179 deputies voted for, 12 against, and 2 abstained).

State Duma Adopts Decree on Deputy Ratios

LD1105110995 Moscow INTERFAX in English 1015 GMT 11 May 95

[FBIS Transcribed Text] MOSCOW, May 11 (Interfax) — On Thursday during an open vote Russia's State Duma adopted the federal decree "On Elections of the State Duma Deputies" in its previous edition which was twice declined by the Federation Council. As many as 302 deputies voted for it, 73 against, and 6 abstained. A total of 300 votes were needed to adopt the decree.

In line with the decree 225 deputies are elected in one-mandate districts and 225 more deputies — on federal lists of parties and election associations.

The decree is to be forwarded to the president for signing in accordance with the Constitution.

In the course of three open votes on the decree on elections only 140 deputies supported the version which provided for the 150 to 300 ratio of deputies who are elected on party lists and one-mandate districts.

Before the vote Chairman of the State Duma Legislation and Legal Reform Committee Vladimir Isakov informed the deputies about Yeltsin's position on this issue.

In his words, on the eve of the sitting of the Conciliatory Commission presidential aide Georgiy Satarov declared that "non-adoption of the decree on elections of the State Duma deputies will lead to a constitutional crisis and the absence of the decree dooms the country to the disappearance of the lower chamber."

Consequently, Isakov underlined, "Yeltsin believes that the authorities of the State Duma of the present composition will expire on December 12, 1995." Speaking about the probable appearance of a presidential decree in the case that there is no decree on elections, Isakov warned: "There actually will be a decree but not the one you expect."

Mentioning the position of the upper chamber, which persists in diminishing the number of deputies elected on party lists, Isakov declared that the members of the Federation Council are "on the opposite side of the barricades."

Having declined the decree on elections of State Duma deputies for the second time at their sitting on May 4, members of the Federation Council proposed to elect all deputies of the lower chamber only on one-mandate districts but expressed consent to compromise, stating that not more than one third of the deputies should be elected on party lists.

Duma Overrules Yeltsin Veto on Commodity Law

LD1105112095 Moscow INTERFAX in English 1015 GMT 11 May 95

[FBIS Transcribed Text] Moscow, May 11 (Interfax) — On May 11, the State Duma unanimously overcame President Yeltsin's veto on the law "On State Commodity Obligations," earlier approved by both houses of the Russian parliament (319 votes, the required minimum being 300).

Returning the law to the State Duma Yeltsin indicated that its implementation would increase the state's internal debt by some 19 trillion rubles in prices current in March 1995, while the repayment of the debt during the period from 1995 to 1997 would require more than 6 trillion rubles annually.

Yeltsin proposed that the state's internal debt be repaid over a period of three years beginning in 1999, and that the government be instructed to draft a corresponding federal program by July 1, 1995.

The law, approved by the State Duma once again, will be submitted to the Federation Council.

Duma Demand 'Will Do Little' To End Sanctions

MM1005112795 Moscow ROSSIYSKAYA GAZETA in Russian 5 May 95 First Edition p 5

["Commentary" by Vladimir Kuznechevskiy on State Duma decree on lifting economic sanctions against Federal Republic of Yugoslavia: "Sanctions Costing 20 Billion"]

[FBIS Translated Text] Russia could earn this sum if the UN Security Council lifts the sanctions imposed on the Federal Republic of Yugoslavia, Iraq, and Libya and supported by our country as a member of the UN Security Council. The State Duma decree published today is devoted to the first in this list.

Last summer a Russian Federation Council delegation headed by Valerian Viktorov, while in Yugoslavia, suggested that "the sanctions that are destroying the economy of this state should be lifted," and that Russia was "extremely keen to resume Russian-Yugoslav economic cooperation." The decree is actually in a way exceedingly late, when you consider that the Russian Federation executive authorities signed agreements some months ago on economic and trade and military cooperation between the Russian Federation and the Federal Republic of Yugoslavia, which are to enter into effect the moment the UN Security Council decides to revoke this penalty. In fact, the actual text of the decree also looks very vague somehow. After all, the idea was to adopt a Federal Law which would remove all restrictions from all types of links between our countries.

The State Duma document only talks about gas supplies and humanitarian aid.

But remember that last October the UN Security Council first relaxed sanctions in the humanitarian sphere for 100 days and then, on Friday 22 April, extended this relaxation for a further 70 days (there will be a further extension whenever the term expires).

I think it could have gone further. As, for example, the participants of the Athens Black Sea economic cooperation conference (Greece, Armenia, Bulgaria, Moldova, and Romania) did when they demanded that the United Nations lift all sanctions against Yugoslavia in view of Belgrade's implementation of the demands of the relevant UN resolutions. But the main thing is that these countries raised the question of compensation for the losses that they as countries have sustained during the threee and a half years of sanctions. They will get no compensation, of course, because we are talking about many billions of dollars, but the very fact that the question was raised speaks volumes.

We could do with something in this area too: Russia has also lost out by supporting sanctions. When you consider that trade between the Russian Federation and the Federal Republic of Yugoslavia was worth more than $2.5 billion per year in 1990-1991, it is easy to calculate that by this September the retention of sanctions has "given" Russia a net loss of some $10 billion. And we should be talking not only about Yugoslavia. Russia supported UN Security Council sanctions against Iraq as well, and, according to the experts, that country owes us around $8 billion, which cannot be paid precisely because of the effect of the sanctions.

Strictly speaking the published State Duma decree will do little to help resolve the question of lifting the sanctions imposed on Yugoslavia. Except enable the State Duma itself, as they say in the Orient, not to lose face.

Regional Affairs

Further Reportage on Situation in Chechnya

Remains of Pilot Returned

LD1005210295 Moscow ITAR-TASS World Service in Russian 1458 GMT 10 May 95

[By ITAR-TASS correspondent Olga Semenova]

[FBIS Translated Text] Moscow, 10 May — After lengthy and intensive talks, the remains of Russian Air Force Lieutenant Colonel Vladimir Syrobeyev were today handed over by Dudayev's forces to representatives of the federal forces in the Chechen Republic. An ITAR-TASS correspondent was told of this at the Federal Security Service.

An Su-25 aircraft, piloted by Syrobeyev, was shot down by an anti-aircraft gun by Dudayev's forces on 5 May south of the Chechen village of Benoy. The pilot was unable to bale out. At first Dudayev's men, who seized the charred body of the dead pilot, put forward additional conditions, but they later handed it over to the Russian side, without a ransom, according to first reports.

Chechen Commander: Actions To Continue

LD1005192695 Moscow NTV in Russian 1500 GMT 10 May 95

[From the "Segodnya" news program; passages within quotation marks are recorded]

[FBIS Translated Excerpt] The cease-fire in Chechnya has been broken again. Reports of new exchanges of fire came in today from journalists there. Meszaros, head of the OSCE [Organization for Security and Cooperation in Europe] mission in Groznyy, believes that the Chechens have truly begun a partisan war against the federal troops.

[Correspondent Andrey Cherkesov] Despite the moratorium declared by Moscow, battles are continuing in Groznyy. Dudayev's fighters open fire every night on the posts of the federal troops. No sooner had the day come to an end yesterday, which was quiet enough in Groznyy, than from midnight to dawn exchanges of fire broke out on the outskirts of the city in which not only machine guns but also grenade throwers were used. The Russian military say that the Dudayev side fired on the federal forces' positions 12 times in all on 9 May. Battles took place in the areas of Bamut, Orekhovo, and on the Gudermes-Khasavyurt highway.

The village of Vedeno is one of the points controlled by the Chechen formations. The temporary headquarters of Dudayev's forces is based here. Their commander, Aslan Maskhadov, said in a REUTERS interview, as he has stated before, that his subordinates would not cease opposition and sooner or later would definitely take Groznyy.

[Maskhadov] "On 1, 2, 3, 9, 10 May, military actions are taking place, and these military actions will continue as long as Russian troops are here."

[Cherkasov] Maskhadov did not hide the fact that Chechen subunits are not observing the moratorium, as they consider it a deceptive manoeuvre by Moscow. The cease-fire has been broken 140 times in all.

[Maskhadov] "Everyone knows that it is an announcement made simply to lessen the vigilance of society before the arrival of the heads of state of the West, of America, before 9 May, to create the appearance that everything is over here, that some sort of peaceful regulation is under way, that there are no military actions."

[Cherkasov] Nevertheless, the Russian command reports that the soldiers are observing the order and open only retaliatory fire. Thirty-eight fighters were wiped out over the past 24 hours in Chechnya, one armored personnel carrier was destroyed and nine Chechen weapon emplacements suppressed. This morning the federal troops' losses were one soldier killed and 11 wounded. [passage omitted: the Chechen side handed over the remains of a Russian pilot shot down on 5 May]

Dudayev's Forces Said Shelling Troops

LD1005161695 Moscow ITAR-TASS World Service in Russian 1519 GMT 10 May 95

[By ITAR-TASS special correspondent Sergey Ostanin]

[FBIS Translated Text] Groznyy, 10 May — The Dudayev fighters have been shelling the positions of federal troops today along the entire line of confrontation with the illegal armed formation, ITAR-TASS was told by representatives of the joint group of federal forces.

According to these sources, near the town of Shali the fighters shelled a sub-unit of federal forces with 120mm shells containing lethal components banned by the Geneva Convention as mass-destruction weapons. Over the period of the moratorium on hostilities in Chechnya, this is the second instance of such shelling. The first time the fighters used shells with lethal components near the populated area of Serzhen-yurt on 3 May.

According to the representatives of federal forces, two tanks of the illegal armed formations took part in attacks on the positions of Russian troops near the town of Shali today. As a result of shoot-outs, there are killed and wounded on both sides.

Press Center Reports on Fighting

LD1005180695 Moscow ITAR-TASS in English 1613 GMT 10 May 95

[FBIS Transcribed Text] MOSCOW, May 10 (Itar-Tass) — Thirty militants loyal to Dudayev and nine fire spots controlled by illegal armed formations have been eliminated in different regions of Chechnya over the past 24 hours as the joint group of the Russian Army opened fire in retaliation, a representative of the press centre of federal troops stationed in Chechnya told Itar-Tass today.

He said that Dudayev's militants had shelled the positions of federal troops from firearms and grenade launchers 12 times in violation of the moratorium on fighting which expires in the night from May 11 to May 12. As a result, one Russian serviceman was killed and 11 others injured.

Chechen militants attempted to black out radio and TV broadcasts to Chechnya devoted to the celebration of the VE-Day by attacking a broadcasting centre. The attack was rebuffed by the broadcasting center guards who prevented the building from being damaged.

Officials from the press centre pointed out that on the VE-Day federal troops had destroyed an armored carrier and 10 trucks belonging to Dudayev's forces. Guards patrolling Groznyy confiscated five grenade launchers, 10 mines, 146 artillery shells, 71 grenades and found a warehouse containing 24 portable radio transmitters.

A different interpretation of developments in Groznyy and other areas of Chechnya during those days was given by a representative from Dudayev's headquarters. Dudayev's official said that fighting had been going on in Groznyy on the night from May 9 to May 10, in the Staropromyslov and Zavodks regions, in particular. Dudayev's representative declared that only one man had been killed in the clashes. On Wednesday, Dudayev's positions came under fire in the area of contact with federal forces in the Shalin region of Chechnya, the same source said. Late on Tuesday, throughout last night and Wednesday morning fighting continued in the town of Argun and on its outskirts. Villages in Chechen southeast highlands came under rocket fire. According to Dudayev's official, the village of Agishity was shelled from "Grad" and "Uragan" rocket launchers.

TASS Updates Situation, Reaction

LD1005201495 Moscow ITAR-TASS in English
1942 GMT 10 May 95

[FBIS Transcribed Text] GROZNYY/MOSCOW, May 10 (Itar-Tass) — Five months after Russian federal troops poured in Chechnya on December 11, 1994, sent by President Boris Yeltsin to restore constitutional order in this breakaway Caucasian region, fighting is still on there.

Chechen separatists on Wednesday continued firing at positions of federal troops along the entire frontline, which resulted in an unspecified number of casualties, military sources told an Itar-Tass correspondent in the Chechen capital.

According to other sources, federal troops' retaliatory fire eliminated thirty militants loyal to Dudayev and nine fire spots controlled by illegal armed formations in different regions of Chechnya.

A different interpretation of developments in Chechnya was given by a representative from Dudayev's headquarters. Dudayev's official said that fighting had been going on in Grozny on the night from May 9 to May 10, in the Staropromyslov and Zavodks regions, in particular. Dudayev's representative declared that only one man had been killed in the clashes.

On Wednesday, Dudayev's positions came under fire in the area of contact with federal troops in the Shali region of Chechnya, the same source said.

Meanwhile in Moscow, U.S. President Bill Clinton said in what appeared to be maybe the most bitter criticism of the Chechen operation by a foreign leader during the VE-Day festivities, that continued fighting in Russia's breakaway Chechnya can erode international support for Russian authorities.

Speaking to students at the Moscow State University, Clinton said that he told Boris Yeltsin earlier today that "this terrible tragedy must be brought to a rapid and peaceful conclusion".

"Continued fighting in that region can only spill more blood, and further erode support for Russia among her neighbours around the world", Clinton said.

According to Movladi Udugov, Dudayev's press minister, the Chechen separatist leadership does not expect that Russia's policy towards this republic will change after the VE-day festivities in Moscow, attended by over 50 world leaders, and the Russian-U.S. summit.

"Dudayev and his close supporters do not expect that serious changes will take place in Russia's policy in the Caucasus", Udugov said referring to a conclusion made by a sitting of the so-called State Defence Committee of the Chechen Republic of Ichkeria, held on Wednesday in the mountain village of Sharoy.

According to Udugov, the Chechen issue is "nothing but a tribute to a political tradition of the West" for world leaders, who "although speak about crimes of Moscow leaders, do not take any practical steps to halt them".

Seven Said Killed in Helicopter Attack

AU1105081995 Paris AFP in English
0723 GMT 11 May 95

[FBIS Transcribed Text] Moscow, May 11 (AFP) — Seven people were killed and eight wounded overnight in an attack by Russian helicopters on Serzhen-Yurt southeast of the Chechen capital Groznyy, a Chechen official said Thursday [11 May].

Chechen presidential spokesman Movladi Udugov told the Moscow Echo radio station that Russian forces also pounded the village with artillery and rocket fire in the attack late Wednesday.

An AFP correspondent in Chechnya said brief but intense salvoes of artillery fire could be heard Wednesday coming from the former rebel stronghold of Shali, 20 kilometres (12 miles) southeast of Groznyy.

Fighting also took place further to the east near Gudermes, Chechnya's second largest city, as Russian forces perched on hills open up with GRAD rockets.

Chechen separatist leader Dzhokhar Dudayev said he did not expect any Russian policy change after Wednesday's summit talks between President Boris Yeltsin and U.S. President Bill Clinton.

Referring to the Chechnya conflict after his summit talks, Clinton said "the civilian casualties and the prolongation of fighting have troubled the rest of the world greatly."

Separately, in his most forceful statement on the conflict during his Moscow visit, Clinton told Moscow State University students that if it continued the Chechnya war "will forever erode support for Russia around the world".

Russian troops and armour rolled into Chechnya in December to crush a three-year-old secessionist bid in the mainly Moslem republic in the Caucasus region. The vast firepower used by the Russians has killed thousands, drawing worldwide condemnation.

No Russian Losses in Over 24 Hours

LD1105114495 Moscow INTERFAX in English 1015 GMT 11 May 95

[FBIS Transcribed Text] Moscow, May 11 (Interfax) — Over the previous 24 hours the forces of Russia's Interior Ministry have lost not a single man thanks to "efficient tactics of counteraction to Dudayev's fighters," a top-ranking representative of the federal group of forces reported to Interfax Thursday [11 May].

In his words, Russian detachments successfully use the tactics of snipers' ambushes and suppression of Dudayev's supporters' firing points by means of artillery shelling at night-time. "We have learned to precisely hit flashes of their shots," the source said.

As he pointed out, the federal forces strictly observe the cease- fire agreement announced by the president and only start counterfire if the necessity arises. Over the previous 24 hours Dudayev's fighters fired on Russian positions 18 times. The most fierce fire engagements were directed towards the south of Serzhen-Yurt and to the north of Orekhovo. "The adversary's firing points have been suppressed, as many as 12 fighters were killed, three trucks were destroyed and one petrol bowser (tank) belonging to Dudayev's fighters was captured," the source said.

The fighters subjected to fire the transport militia post on a bridge via the Terek river near the village of Chervlenaya. Dudayev's fighters fired one shell against Gudermes. It exploded on the territory of the railway station. Fortunately, no casualties are reported.

The Russian positions were also shelled from the forest situated to the north of Groznyy.

Border Troops Leave Chechnya

LD1105080895 Moscow Radio Rossii Network in Russian 0700 GMT 11 May 95

[FBIS Translated Text] Colonel General Andrey Nikolayev, director of the Russian Federal Border Service, told the RUSSIAN INFORMATION AGENCY in an interview that the Russian border troops have on the whole completed their mission in the Chechen conflict zone He said the border troops are leaving the sections they have guarded, handing them over to the local bodies of the interior. He said the border guards are being redeployed on the borders with Azerbaijan and Georgia.

Dudayev Criticizes World Leaders

LD1105123395 Moscow ITAR-TASS in English 1111 GMT 11 May 95

[FBIS Transcribed Text] MOSCOW May 11 (Itar-Tass) — Chechen separatist leader Dzhokhar Dudayev accused world and UN leaders who attended VE-day celebrations in Moscow of failing to influence the Russian leadership to end the conflict and said they "bear a share of responsibility for the genocide in the Caucasus".

"The world leaders show no wish and determination in protecting human rights and freedoms", said a statement adopted by the so-called State Defence Committee of Chechnya late on Wednesday in the settlement of Shatoy.

They "covertly and openly promote the activities of the Kremlin by mighty financial assistance and elaborate diplomatic rhetorics", said the document received by Tass Thursday. "Such a position inflicts an irreparable damage to the system of international relations and the interests of democratic states", it added.

Dudayev and his entourage put the blame for the combat activities in Chechnya fully on Russian authorities and accused them of "unreadiness for a peaceful political process".

Although separatist leaders said they were ready to consider "real proposals of the Russian government and advance their own initiatives to end the military conflict", they at the same time reiterated their claims for independence from Russia.

Russia sent its troops to quell the independence bid on December 11, exactly five months ago. The Kremlin introduced a moratorium on fighting in Chechnya from April 28 to May 12 which covered the VE- day celebrations attended in Moscow by some 50 world leaders.

Kuwaiti Paper Interviews Dudayev

95LH0116A Kuwait AL-MUJTAMA' in Arabic 14 Mar 95 pp 26-27

[Telephone interview with Chechen President Dzhokhar Dudayev, place not given, by Muhammad al-Abbasi in Istanbul; date not given — first four paragraphs are AL-MUJTAMA' introduction]

[FBIS Translated Text] Evaluating the overall military and political situation in the war taking place in his country, Chechen President Dzhokhar Dudayev said that they will undoubtedly achieve final victory, irrespective of how long the fighting will continue, because they are defending their cause. They swore by the Koran to sacrifice their blood to safeguard the independence of their country. He noted that the continuation of the Russian air and artillery bombardment of the capital, Groznyy, until now confirms that the Russians do not control the city, despite his decision to withdraw from it to continue the jihad and achieve the final objectives of his combat plan.

Asked how were they able to confront the Russian Army, which is known for its power and combat experience, and which parties supported them militarily and politically, President Dudayev said that their success is due to God's support. God's support is limitless, especially in the field of patience and the spread of courage in the hearts of the faithful. Had it not been for God's support, we would not have been able to confront the Russian army, which has mobilized its best combat units to invade Chechnya and foil the plan to unite the Caucasus in one independent state. This plan terrified Moscow and made it mobilize all these forces, after imposing an economic siege that lasted for three years and supporting terrorist operations in Chechnya. Russia began its war against Chechnya when it declared its independence and not last December, as some may think. The December bloody operations that accompanied the Russian invasion of Chechnya were the last card in the Kremlin's hands, which it put down to get burned on Chechnyan territory.

He added that they knew it was difficult to confront the large and technologically superior invading forces, but they depended on God and trusted in him. They prepared whatever forces they could, and God blessed them. The war was on the ground and from the air, and life was difficult. However, they placed their hope in God and surrendered themselves to him. Death or martyrdom for God's sake has been and will be the combat ideology of the Muslim Chechnyan army. It was not afraid of Russia, which possessed a strong, modern army of 5 million troops.

Asked about the parties that supported them militarily and politically, he said: The United Nations, the EU, the European and Security Cooperation Organization, the NATO alliance, and all those that constitute the Christian club have not provided us with anything. They regarded what is happening as an internal Russian affair. We have received no assistance from the Islamic world. We are still waiting for it. If it comes, it will raise our morale, as the fighters will then feel the Islamic solidarity to which they yearn. We are not expecting anything from the members of the Christian club, because we saw what they did in Bosnia. We do not believe that they will give us anything.

[Al-'Abbasi] One cannot deny that the Western position has changed somewhat, and aid has reached the Chechens from the Islamic world.

[Dudayev] The United Nations has done nothing for the Chechens. The NATO alliance was happy that we were able to embarrass and expose the Russian army. The changes that have taken place in the EU or the European Cooperation Organization were only in the political tone and because of the Chechen people's steadfastness.

As for the issue of aid from the Islamic world, it is not consistent with the Islamic world's size and strength. The humanitarian assistance that was sent through Moscow has not reached the besieged people or the people who fled the fighting. This aid has reached the Russians, and some of it may have been given to some Chechen agents who work with them. We understand and appreciate the political circumstances in the Islamic world. We thank the Islamic societies that have made an effort to get their assistance to us. We call on them to send their aid through our representatives, so it will not get lost on the way.

[Al-'Abbasi] The Russians have accused Azerbaijan of supporting you?

[Dudayev] We wish such accusations were true. The truth, which is known to everyone, is that Azerbaijan itself needs support to liberate its territory from the Russian-supported Armenian invaders. The Armenians occupied 20 percent of Azerbaijani territory because the valiant Azerbaijani fighters lacked the necessary weapons. The purpose of these accusations is to find a justification for Russia to intervene in Azerbaijan, after failing to overthrow its government through its agents.

[Al-'Abbasi] General (?Viktor Koon), deputy commander in chief of the Russian Air Force, has called for an investigation into the flow of Russian weapons, manufactured between 1993 and 1994, to the Chechens, noting that the weapons in Chechens' hands, manufactured between 1991 and 1992, were taken from Russian factories. What is the truth about this? Is someone financing the purchase of these weapons?

[Dudayev] You must address the question to the Russian official, who is casting doubt on other officials in his country. The lack of trust between the Russians is useful to us. I do not know why that official does not admit that we captured modern weapons from the Russian Army. The Russian Army also does not object to selling its weapons for a little money. Generally, I do not like to go into the details of arms procurement, because they are a military secret.

[Al-'Abbasi] Is there a possibility that you will sit around the negotiating table with the Russians?

[Dudayev] I would like to state that we have not refused to sit down with the Russians, not to negotiate about our independence, which we swore on the Koran to safeguard, but to reach some formula to end the conflict, preserve our independence, and save Moscow's honor. Although I do not trust the Russian officials, we agreed to negotiate with them. They violated the cease-fire whenever they were able to regroup their forces. The Russians will not negotiate seriously until they become sure that they cannot stay in our territory. Only then will they sit at the negotiating table and discuss their withdrawal and future cooperation.

[Al-'Abbasi] What is your evaluation of the military situation now?

[Dudayev] In brief, the war will continue for a long time and will extend to all parts of the Caucasus. This will facilitate its unification, according to my plan, which I am seeking to implement. Therefore, the Russians have tried to obstruct it by invading Chechnya and holding onto that strategic area, which is rich in oil and minerals. We are prepared for a long war. This is not unusual for us, since our confrontation with the Russians has been going on for the past 300 years. It will continue until we achieve our right to live in freedom according to our Islamic beliefs. We hope that our Islamic environment will not forget us in our long and bitter struggle against the Russian imperialists and invaders.

Soskovets: Costs at R1.9 Trillion

LD1105091595 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 11 May 95

[FBIS Translated Text] At the State Duma's request, Russian First Vice Premier Oleg Soskovets has submitted a report on the expenses borne during the Chechen operation.

According to the Ministry of Finance, the total sum of expenses from December 1994 to March 1995 reached 1.9 trillion rubles [R]. In particular, the Defense Ministry's expenses are more than R1 trillion, Russia's Ministry of Internal Affairs R412 billion, and the Ministry for Emergencies expenses are R115 billion.

As Oleg Soskovets stressed in his letter, the financing of expenses of the ministries and departments from the beginning of combat operations in the Chechen Republic were funded from the means allocated to implement their routine activities, and the quarterly distribution of income and expenses for 1995 will be submitted to the Federal Assembly for approval.

The clarified calculation of funds required for the restoration of Chechnya's economy will be discussed at a government sitting today. These data will be submitted for the consideration of the State Duma on 15 May.

Call For Efforts in Rehabilitation

MM1105092895 Moscow ROSSIYSKIYE VESTI in Russian 11 May 95 p 1

[Report by Pavel Anokhin: "Raising Chechnya From the Ruins Is Possible Only Through Combined Efforts"]

[FBIS Translated Text] The State Commission for Monitoring Human Rights and Restoring Constitutional Order, headed by Russian Federation Minister of Justice Valentin Kovalev, met in the Chechen Republic 4-7 May. Aleksandr Piskunov, deputy chairman of the State Duma Defense Committee, was among the delegation.

"Unfortunately, the conditions of the truce have not been observed by the Chechen side, which has seriously complicated the position of the federal troops in Chechnya," he said in conversation with ROSSIYSKIYE VESTI's correspondent. "Dudayev's supporters have recently stepped up their attacks and have even been carrying them out in daylight hours."

"One of the substantive failures in the implementation of policy by the federal troops is the poor provision of information," A. Piskunov noted. "The local population and the troops know virtually nothing about the sociopolitical situation in Russia. At the same time it is difficult to explain the fact that D. Dudayev appears on the First TV channel in the region virtually on a daily basis, using his own transmitter."

Reflecting the commission's opinion, the deputy believes that a serious program of social and psychological rehabilitation of the local population, including Russians and Chechens alike, is essential. In his words, some people are strongly inclined to leave. Others want to force out their neighbors. This gulf must be bridged, A. Piskunov believes, because the republic can be raised from the ruins only through combined efforts.

Tatar President Comments on Chernomyrdin Bloc

954F2237B Kazan KAZANSKIYE VEDOMOSTI in Russian 5 May 95 p 1

[Interview with Tatarstan President M. Shaymiyev, by an unidentified interviewer; place and date not given: "For a Democratic Russian Federation"]

[FBIS Translated Text] A few days ago Russian President B. Yeltsin supported the initiative of the deputy group Stability in establishing two electoral associations of centrist democratic orientation—those of I. Rybkin and V. Chernomyrdin. This decision elicited widespread commentary in the Russian and foreign mass media. Last Saturday, 29 April, a session of the action group for establishment of the Chernomyrdin bloc was convened at the country residence of the Russian Government.

Tatarstan President M. Shaymiyev also participated in the session. He gave the following interview upon his return to Moscow.

[KAZANSKIYE VEDOMOSTI] Mintimer Sharipovich, would you agree that the establishment of these two associations is somewhat unexpected by the public at large? And that a great many questions must therefore be asked? First of all, what brought about the formation of the new electoral movements?

[Shaymiyev] It must be admitted that all through the years of perestroyka, we never saw the formation of parties or movements encompassing broad segments of the populace, having branches and cells in the regions, possessing a harmonious organizational balance. And although some of them make loud declarations and produce a wide variety of sound effects, elections (including elections in our republic) have shown nonetheless that their influence on the electorate is not as significant as they assert. As a result, from the parties and movements that have obtained the right to nominate representatives, it is mainly people from Moscow and St. Petersburg who have wound up in the State Duma. This is understandable, insofar as most parties and movements have a "cliquish upper crust" nature, and it is this clique that has been able to make its way into the Russian parliament. Such a situation cannot be acceptable to a federative government. But according to a law adopted by the State Duma, that same ratio between number of deputies elected by party slate and by territorial district has been preserved: 50-50. I am talking about the lower house, of course. True, Russia's president has not yet signed the law, but this may well happen. So are we once again going to agree to have exaggerated representation from the two Russian capitals? The Chernomyrdin and Rybkin blocs will counter this tendency to a certain extent, since they are oriented on the regions and regional leaders.

One more important, if not the most important, aspect—the new movements are striving to obtain a majority in the parliament so as to continue the course toward reforms and ensure stability in society. This is why I believe the idea of creating the Chernomyrdin and Rybkin blocs has a right to exist.

[KAZANSKIYE VEDOMOSTI] Gaydar does not challenge this right either, incidentally, though he has taken sides with the Russian Government opposition, as we know, on a number of issues. Would you tell us how the session went? Who took part in it?

[Shaymiyev] Participating with Chernomyrdin were his first deputies Oleg Soskovets and Anatoliy Chubays, and his deputy Sergey Shakhray, who also represented a party joining the bloc—PRES [Party of Russian Unity and Accord]. The leaders of a number of republics and oblasts were present, as were representatives of the creative unions. I will give just a couple of names—singers Lyudmila Zykina and Irina Arkhipova, movie actor Vyacheslav Tikhonov, master of ceremonies Boris Brunov....

At this session the action group formed the organizational committee, which includes, from our republic, Nikolay Ivanovich Bekh, president and general director of the joint-stock company KamAZ [Kama Motor Vehicle Plant]. The organizational committee will arrange for the conduct of the constituent congress. The date has already been set—12 May.

[KAZANSKIYE VEDOMOSTI] Did you take the floor?

[Shaymiyev] Yes, I spoke. The preliminary name given the Chernomyrdin bloc was Russia—Our Home. I proposed a different one: For a Democratic Russian Federation. This is less vulnerable in my view, insofar as it is not as general and reflects more than the nature of state structuring of the country—it determines the orientation of its development as well. This enables us to deal with reciprocal relations and mutual influence between regions and the center.

I also insisted that a theory of territorial restructuring of Russia not be included in the bloc's charter and program. Certain "state authority" proponents are still musing over the idea of turning republics and oblasts into provinces, thereby creating a unitary Russia. I sharply rejected this concept.

[KAZANSKIYE VEDOMOSTI] Reports have been broadcast over radio and television that branches of the Chernomyrdin electoral bloc have already been established in a number of regions. Do you foresee the creation of a branch or other organizational structure in our republic?

[Shaymiyev] Yes. Such a branch will be established in the near future.

[KAZANSKIYE VEDOMOSTI] What funds will be used to conduct the pre-election campaign of the Rybkin and Chernomyrdin movements— state funds, proceeds from domestic and foreign "sponsors," or contributions of some sort? And can we hope for any overall guarantees that the party of power (this description has been used repeatedly in the press) will not exert pressure on those who organize the election campaign, or more importantly—those who count the votes?

[Shaymiyev] As far as funds are concerned, the new blocs will find themselves operating under the same conditions that other parties and movements must observe, without special privileges. State funds will not be used, of course. As far as guarantees are concerned... We really must establish a system such that manipulation and machinations are entirely excluded. I think the most important thing here is to ensure that the public exerts effective control.

[KAZANSKIYE VEDOMOSTI] Some political analysts believe that participation of the Rybkin and Chernomyrdin blocs will constitute a kind of trial balloon, following which Yeltsin will decide whether to participate in the presidential election. What is your opinion in this regard?

[Shaymiyev] One cannot rule this out. And if the situation turns out favorably for the new movements, Boris Nikolayevich will announce his candidacy during the course of the parliamentary election campaign. Then again, a different outcome is possible. In any case, however, I believe the time frame for conduct of the presidential election will not be shifted.

[KAZANSKIYE VEDOMOSTI] In a recent television interview, Chernomyrdin stated that his bloc would not be advancing any slogans or appeals. How so? Is it possible you can wage an election campaign without slogans and appeals? I can see there being just one slogan, one appeal, one desire—that power remain with them. Do you not believe, Mintimer Sharipovich, that the chairman of the Russian Government is stating this simply because he is afraid of what might come in response? To the effect of—here you are mouthing slogans, but what has prevented you from carrying them out? After all, power is in your hands.

[Shaymiyev] A complicated question.... This theory will no doubt be used by the opposition as it intensifies its criticism of the government. And there is indeed a basis for criticism here. But it is also true that an incredible burden of problems has been heaped upon it. Those who declare that they know how to extricate the country from crisis in a very short period of time are playing political games. The situation will be especially difficult now for the Russian Government and the new electoral movement. In contrast to other parties and movements, the Chernomyrdin bloc cannot postpone the implementation of program tasks and objectives to some future time. If they do, the party of power (to use your expression) will simply not be believed. But there is nothing reprehensible about the authority struggling to remain in power. Just so long as it wages the struggle according to the rules, according to legal norms.

[KAZANSKIYE VEDOMOSTI] One final question, if you would, Mintimer Sharipovich. It lies beyond the scope of what we are discussing, but I will ask it all the same. The view is presently being propagated that deputies must be elected to the Federation Council just as to the lower house. Would you share your opinion in this regard with our readers?

[Shaymiyev] The upper house must be formed in the manner stipulated in the Constitution—by job position. In order to abrogate this principle, the Russian Constitution would have to be amended. This is not an easy task. In my view, on the day elections to the Duma are held we must simultaneously elect our governors and the heads of administration of krays and oblasts. In this manner, having undergone the election process, they will acquire legitimacy and join the Federation Council.

[KAZANSKIYE VEDOMOSTI] Thank you for your comments, Mintimer Sharipovich.

Tatar State Council Members Elected

954F2237A Kazan KAZANSKIYE VEDOMOSTI in Russian 5 May 95 p 1

[Article by V. Smirnov: "State Council at Full Strength"]

[FBIS Translated Text] The State Council of the Tatarstan Republic will presently be operating at full strength. Repeat elections were held in six districts in which earlier elections had been declared null and void due to a lack of voter turnout as stipulated by law. The Central Electoral Committee registered the following individuals as deputies of the republic's State Council: A. Zalakov (54th Administrative-Territorial District); Ye. Bogachev (84th Territorial District); Sh. Takhutdinov (94th Territorial District); R. Khusainov (104th Territorial District); N. Zelenov (105th Territorial District); V. Kamelin (107th Territorial District).

Data on Kaliningrad Oblast Development in 1995

WS1105074595 Kaliningrad YANTARNYY KRAY in Russian 5 May 95 p 3

[Report attributed to Kaliningrad Oblast Committee for State Statistics: "Socioeconomic Situation in Kaliningrad Oblast in First Quarter of 1995"]

[FBIS Translated Excerpt] **A certain degree of life was observed in the [Kaliningrad] oblast economy's in the first quarter of 1995. The decline in the manufacturing of industrial products slowed down. There are signs of some positive changes in those sectors in which the crisis was particularly bitter — the machine-building, pulp and paper, and fish processing industries. The situation in the financing of construction projects by enterprises and organizations is somewhat better than in the first quarter of 1994.**

At the same time, the economic situation remains dramatic. Every third enterprise in the oblast experienced work stoppages at least once a month in

the first quarter of 1995. Production and purchases of agricultural products also decreased. Investments continue to shrink; the problem of nonpayments remains unresolved. A complex situation has developed in the social sector.

Industry

The decline in the aggregate volume of industrial production continued in the first quarter of 1995. Within this period, production volume fell by 15 percent against the first quarter of 1994, as compared to Russia's average figure of 5 percent, including in machine-building, production of construction materials, and meat processing — 35 to 39 percent; and in dairy and light industries — 48 to 71 percent. Meanwhile, production of spirits increased twofold against the first quarter of 1994, in the pulp and paper industry — by 24 percent, and in fish processing — 5 percent. There is a continuing trend toward the shrinking production of consumer goods. The rate of decline in this sector is 5.7 points greater than the average figure for all industries. Production of knitwear fell by 88 percent and of footwear — 64 percent.

The decline in the purchasing of animal husbandry products has affected the work of the oblast's processing enterprises. Production of meat, pasteurized milk products, butter, and fat cheese fell twofold in comparison with January-March 1994.

Agriculture

As compared to the corresponding period of 1994, production of meat in all categories of farms fell by 5,500 tonnes (37 percent); production of milk — 9,200 tonnes (19 percent); production of eggs — 14.6 million (18 percent). The indicators of animal husbandry productivity have also deteriorated.

The oblast's animal stock continues to drop. The number of head of cattle in all categories of farms fell by 87,100 (22 percent), including cows — 24,700 head (16 percent), pigs — 28,700 head (17 percent). This was accompanied by an increased death rate among pigs.

Purchases of cattle and poultry from producers for the needs of the federal and regional foodstuff reserves fell by almost 40 percent, those of milk dropped twofold, and of eggs — 3 percent. Sales of cattle, poultry, and milk through other channels (marketplace, stores, public catering network, and barter deals) increased in 1995. Bypassing procuring organizations, agricultural enterprises sold 27 percent of cattle and poultry, 6 percent of milk, and 14 percent of eggs (in 1994 — 17 percent, 1 percent, and 28 percent respectively).

Major Construction

In the first quarter of 1995, by engaging all sources of financing, 109 billion rubles [R] were used as capital investment, including R48 billion for the construction of production facilities, which make up 74 and 83 percent, as compared to the first quarter of 1994.

Some R31 billion were spent to this end from the federal budget. Seventy-six percent of this sum was obtained as grants, but the volumes of those grants fell by 46 percent in January-March against January-March 1994. The situation with the financing of construction from enterprises' and organizations' own funds was somewhat better than in 1994. Enterprises and organizations spent more than R42 billion on capital investment, while the rate of spending these funds stood at 111 percent against the first quarter of 1995.

Some 56 percent of investments were made in the construction of nonproduction facilities, including 73 percent in the construction of housing. At the same time, attempts failed to revert the decline in the completion of housing construction. By using all sources of financing 17,000 square meters [s.m.] worth of housing was constructed, which is 13,700 s. m. less than in January-March 1994. Some 254 families improved their housing standard within that period, as opposed to 506 families in the first quarter of 1994.

Some 103 apartments (6,000 s. m.) were constructed for families of active service officers, which is 8,300 s. m. less than in the first quarter of 1994. No housing was constructed for retired officers or resettlers from Bryansk Oblast who suffered from the Chernobyl nuclear power plant accident in 1986.

Transport and Communications

The drop in the volume of cargo shipments in the first quarter of 1995 was a result of a continuing decline in production. The volume of cargo shipped by transport enterprises fell by 14 percent and stood at 3.4 million tonnes.

Cargo shipments by rail fell by 6 percent and by automobile transport — 40 percent. Meanwhile, the volume of cargo shipped by water increased by 5 percent and by air — 2.1-fold. Passenger turnover on public transportation fell by 16 percent against the first quarter of 1994.

Public communication companies rendered R19.7 billion worth of services in the reporting period, including R5.4 billion for the population, which, in actual prices, is 2.6-fold more than in January-March 1994.

Foreign Economic Activities

The first quarter of 1995 witnessed further development of foreign economic activities with countries of the near and far abroad by the oblast's organizations and enterprises. According to data provided by registered enterprises and organizations, export operations worth $61 million (R225 billion) were conducted in the form of individual contracts, direct production ties, and barter deals.

Products were exported to 36 countries of the world. Some 80 percent of products were exported to EU members and other European states; 13 percent — to African states, and 7 percent — to East European states. Leading positions among the states that imported Kaliningrad products belong to Switzerland, Germany, Namibia, Italy, Lithuania, Austria, the Netherlands, Great Britain, and Hungary.

Export operations with CIS states were worth $13 million (R47 billion). Their share in the oblast's aggregate export amounted to 21 percent.

Among the oblast's leading exporters are: The Gas Oil joint stock company [j.s.c.], the Tsepruss joint enterprise, the Tralflot j.s.c., the Shvei [Seamstresses] Limited, the Reftransflot j.s.c., Akmena Limited, and the Alkatrans joint enterprise. Major export products include frozen fish, coke, fertilizers, pulp, refined copper and copper alloys, and wood.

Privatization

Sixty-nine facilities were privatized in the first quarter of 1995, 96 percent of which had been municipal property, 3 percent — had been owned by federation entities, and 1 percent had been federation property.

Revenues from privatization of enterprises, including payments received for facilities sold under installment plans, as well as fines charged for nonobservance of contractual commitments stood at R6.67 billion.

Inflation and Prices

Price hikes continued in the first quarter of 1995 in both the production and consumer sectors.

The index of wholesale prices for industrial products was 166 percent in March 1995 as compared to December 1994 (corresponding indicator for the Russian Federation is 158 percent). The greatest gap was observed in the fuel industry, where the oblast's prices were 56 percent higher than Russia's average price. Production of electrical power and machines was 41 to 57 percent more expensive in March 1995 than December 1994, which is 7 percent higher than in the rest of Russia. The increase in prices for food industry products was also more dramatic than in Russia. Within the first quarter, prices increased 1.8-fold in the oblast, as opposed to 1.6-fold in Russia.

The index of consumer prices in March 1995, as compared to December 1994, stood at: All products and paid services — 155 percent (142); foodstuffs — 166 percent (145); products other than foodstuffs — 137 percent (134); paid services — 174 percent (162) [figures in parentheses represent Russia]. Prices for cereals increased more than twofold in the oblast, for meat and sausage — 1.7 to 1.8-fold, for fish products — 1.6-fold, for dairy and bakery products — 1.4 to 1.5 fold. In comparison with other cities of the Russian Federation (Smolensk, Volgograd, Bryansk), wheat flour, rye- and-wheat bread, cereals, and pasta were more expensive in Kaliningrad.

Within the three months, fuel prices for the population increased threefold. Medicine, detergents, furniture, and perfumes experienced a 1.4 to 1.5-fold increase; carpets, clothing, and underwear — a 1.2 to 1.3-fold increase.

Prices and tariffs for paid services rendered to the population continued to grow in the first quarter of 1995. Residents of the oblast faced a multifold increase in rent. Payments for living in municipal housing, heating, hot water, and sewage increased 2.6- fold, for electrical power — 1.5-fold.

Enterprises' Finances

The dramatic financial situation of enterprises has resulted in the amassment of debts for failure to pay consumption funds. As of 1 April 1995, 205 enterprises representing industries, construction, agriculture, and transportation had overdue debts of that kind amounting to R22 billion. The share of industrial enterprises constitutes 76 percent of the aggregate sum of overdue debts, that of construction companies — 5 percent, transport enterprises — 4 percent, agricultural enterprises — 15 percent. The basic reason for the amassment of debts lies in the absence of funds on companies' accounts (94 percent of the aggregate debt).

People's Deposits

In the first quarter of 1995, people deposited R22.3 million in branches of the Savings Bank, including capitalized interest paid every month on long-term deposits, which is 3.3-fold higher than in January-March 1994.

People's deposits as of 1 April 1995 amounted to R119.8 billion, including compensations entered on special accounts and capitalized interest.

Consumer Market

There was an adequate supply of all kinds of products on the oblast's consumer market in the first quarter of 1995. State-run commercial enterprises accounted for 20 percent of commodity turnover, private structures (including consumer cooperatives) — for 55 percent, other nonstate companies — 25 percent. The physical volume of sales of foodstuffs fell by 1.4 percent in the first quarter, that of products other than foodstuffs fell by 13 percent. People bought R140 billion worth of products in the marketplace, which makes up 22 percent of the total commodity turnover. People usually buy products other than foodstuffs in the marketplace (80 percent). Imported products prevail in the marketplace, just as in stores. Sixty-six percent of commercial company managers polled have pointed out that imported products are of a higher quality than domestic ones. On the other hand, people give preference to imported products given the absence of analogous domestic goods. Some 90 percent of respondents named commercial structures as the major supplier of imported products. [passage omitted covered by referent item]

Health Protection

There were no positive changes in reducing the rate of infectious diseases. Observed was an increase in diseases connected to social activity, such as syphilis, gonorrhea, and pediculosis. There was a dramatic increase in the number of cases of acute enteric infection (a twofold increase in comparison to the first quarter of 1994); there were 30 percent more cases of diphtheria.

The oblast's branch the State Sanitary and Epidemiologic Center registered one HIV-infected person. There are 14 AIDS patients currently residing in the oblast.

Employment

The situation in the labor market continues to deteriorate. The number of people who are officially registered as unemployed by employment centers increased from 20,000 to 23,000 within the first quarter of 1995, which makes up 6 percent of the oblast's active labor force.

Some 11,000 people were partially employed (working shorter hours or weeks). Around 12,000 people were laid off at the initiative of company administrations or given annual leave with partial leave pay. This phenomenon was most typical for industrial, transportation, and construction enterprises.

The growing number of candidates applying for available openings indicates a dramatic exacerbation of the situation in the labor market. While in March 1994 there were 12 applicants for every available opening, that number almost doubled within a year and now stands at 22 applicants per vacancy.

In terms of unemployment, our oblast belongs to the regions with a heightened tension in labor market, given that unemployment in the oblast is twice as high as the Russian Federation's average figure.

Crime

Law enforcement bodies registered 5,845 crimes in the first quarter of 1995, which is 9 percent more than in January-March 1994. The number of heinous crimes increased 4.9-fold; that of juvenile crimes — 1.3-fold; gang crimes — 1.4-fold.

Kaliningrad Free Trade Zone Problems Viewed

WS1105141595 Kaliningrad KALININGRADSKAYA PRAVDA in Russian 5 May 95 p 2

[Article by M. Guzeev, acting chief of the Svetlogorsk City District Administration: "Let Us Not Discredit the 'Yantar' Free Trade Zone Concept"]

[FBIS Translated Text] It is already four years since Kaliningrad Oblast was declared a free trade zone [SEZ]. However, the socioeconomic situation in the region, just as in the past, is of a complex and contradictory nature. Obviously, there are a lot of reasons for such a situation. In my opinion, however, the principal one is that there are no other examples in the world of such a large free trade zone covering the territory of an entire oblast (a subject of the Russian Federation). Naturally, this means that there is no possibility to directly apply the world experience in the creation of the SEZ. Taking into account all the currently existing legislative contradictions, it is very difficult to determine clear reference points and predict the results of the zone's development. Nevertheless, it must be done.

The following problems need to be specified and resolved: The scale, stages, and specialization of the SEZ should be outlined, as well as the mutual relationship between investment-structural and export-import policies; and research for a mechanism for their control should be conducted. There are also contradictions in the notions of "sovereignty on the territory of a subject of the state," "oblast as a subject of the Federation," and "a free trade zone." This contradiction — in its certain manifestations — makes combination and coexistence of the aforementioned notions very problematic. After all, the more elements of a SEZ in its general understanding, the smaller the state's current influence on the zone will be. When, however, the limits of the SEZ and the oblast as a subject of the Russian Federation coincide, then we will have to determine clearly what we want. Do we want more freedom from state control and regulation, or perhaps there is something else? In any case, the existing preconditions are already pointing at the need to specify a certain approach to determine the place, role, and strategy of the oblast's development.

The current actual situation in socioeconomic development of the region declared as a SEZ, runs counter to the tenets of the SEZ concept. On the existing basis, we can hardly continue to talk about consolidation of our efforts aimed at subsequent implementation of the concept, without implementing a constructive correction. According to the plan, one of the complex goals of the "Yantar" SEZ was understood as development of the oblast's productive forces by adapting domestic and foreign scientific and technological innovations for use in the production sector, enlargement of import-substitution and export potential, and attraction of capital....

In practice, we are actually observing a technological recoil in the oblast's industries, and a decrease in the share of machine- building in the structures of industries and exports. In 1994 alone, the aggregate output of industrial production in the "Yantar" SEZ fell by 31 percent in comparison to 1993; in machine-building and metal-working — by 68 percent, in light industry — 71 percent. In addition, the decrease was of a greater scale than in the rest of the country.

One of the consequences of the drop in production was a 33-percent reduction in freight transport, which — according to the SEZ concept — was supposed to become one of the most important SEZ specializations. Raw materials (fish, cellulose, oil) continue to prevail in our exports, while the volume of imported consumer goods increases at a much greater pace.

We — as a subject of the Russian Federation — are less and less supervised by the state. The oblast market for goods depends on — between 50 and 100 percent, depending on the types of goods — imports. Therefore, prices depend more on competition in the currency market than on state industrial policy. It occurs that the currency rate — to a greater degree than state policy — specifies the dynamics of both prices and tariffs and, through them, affects the production structure, the enterprises' financial situation, the level and structure of employment, and the social atmosphere in society. Combined with the departure from the development of high technology production, unsystematic deliveries of ready-made goods imply a shift to the channel of interests of other territories to an ever-increasing degree. The oblast economy itself, as well as its industry, has become less and less capable of large-scale reproduction.

One of the sources of increased profits is a commercial (profiteer) profit, primarily obtained from intermediate trade and financial activities, given the increasing drop in production. On the one hand, turning the sector of services into a leading sector of the oblast economy in itself shows the market-oriented trend, on the other hand, it demonstrates the gradual diminishing of production specialization from the structure of the national economy. The further preservation of current economic relations, that reject national production and reduce effective demand, could lead to the final destruction of the oblast's industry.

Regrettably, reality provides grounds to state that, as of today, the "Yantar" SEZ has not measured up to our expectations as a "mechanism" for conducting the needed structural reconstruction of the oblast, and as a catalyst to investment policy. It is also necessary to clearly specify our priorities here: What are the genuine prospects for regional specialization? Where should resources be primarily channeled? Every resident of the oblast will then obtain guidelines for their own — current and future — professional self-support.

If current — primarily chaotic — foreign economic relations and unregulated, untargeted investments are not transformed into a system of political and economic objectives of the region, there are no sufficient grounds to expect positive changes in the oblast economy in the immediate future. Let us think about the ways of developing the region to both not discredit the "Yantar" SEZ concept and not build castles in the sky.

Deputy Premier Yegorov Meets Kuban Officials

954F2233B Krasnodar VOLNAYA KUBAN in Russian 11 Mar 95 p 1

[News conference by Deputy Prime Minister Nikolay Yegorov, recorded by A. Ushakov: "Contact With Native Soil"]

[FBIS Translated Text] As we have already reported, Thursday's meeting between Nikolay Yegorov, prime minister of the Russian Federation [as published] and minister for nationalities and regional policy, and the heads of the administrations of cities and rayons and leaders of kray departments and agencies culminated in a news conference. As representatives of the central and kray news media saw for themselves, Yegorov feels, following his lung operation, satisfactory: The contact with the large audience at the meeting and then with journalists lasted approximately four hours.

"The purpose of my trip to Kuban," the deputy prime minister said, "is to make contact with native soil, meet people, and see how things are going.

"Wherever I have gone, the fields and the progress of work on the top-dressing of the winter crops and the sowing of the spring crops have been gratifying. Everyone is celebrating 8 March, even, in his own way—I saw a great many people at their dachas and truck gardens."

[Question] What interested the administration chiefs most at the meeting?

[Yegorov] The drafts of the law of the Russian Federation on local government most of all. This is understandable. The law will determine what life at the level of the rayons, villages, communities, and farmsteads will be like. Everyone was interested in how the relations between the budgets of local government and the kray and between the kray budget and the federal budget would be organized.

And the situation around Chechnya was undoubtedly of burning interest also.

Chechnya Is Not a 'Black Hole'

To a question from journalists as to how the state would support refugees from Chechnya, Nikolay Dmitriyevich replied:

"The events in Chechnya have revealed many incongruities and imperfections of our legislation. The refugee who goes to Samara Oblast, for example, is entitled to obtain a sum of money, albeit paltry, which helps him resolve certain problems. And if he has decided to go back from Samara Oblast to his native parts, he is not, according to our law, due anything.... We are tackling this question at this time."

[Question] Is not Chechnya becoming a financial hole?

[Yegorov] No. The scale of this tragedy has engendered in everyone the illusion that this is a "black hole" and that resolving a problem of a political or economic order is impossible. It is my profound conviction that this is far from being the case. Chechnya in terms of territory is the equivalent of three Kuban rayons. And its economy, considering the petroleum refining and the oilfield, had 10 times less economic potential than Krasnodar Kray. If only for this reason, Chechnya will under no circumstances become a "black hole," sucking in all of Russia. It is important, having ended the combat operations, to embark on the restoration of normal human life there. Nor is the development of guerrilla war anticipated there. This small territory, surrounded on all sides by federal troops, deprives the groupings of fighters of the possibility of maneuver. Second, the fighters do not have the broad support of the population of the Chechen Republic. When the proposition that a war is being fought against the Chechen people there is advanced, this indicates that those saying this simply are not analyzing the situation. There are on Dudayev's side out of a population of 1 million only 14,000 men in arms. Just 1.5 percent of the population, that is. And half a percent are taking an active part in the hostilities, what is more.

Not only within Chechnya itself, but outside of Russia also, Dudayev's regime has not had the support on which it was counting. A troop grouping has been formed to establish peace and calm on this territory. A motorized brigade will, in any event, be stationed there to maintain peace and tranquillity on the territory of the entire North Caucasus.

Preventing Stagnation

Not only were there questions, but a discussion arose in the course of the meeting also. Viktor Lameykin, editor in chief of VOLNAYA KUBAN, reminded Nikolay Yegorov that he, as governor of Kuban, had for the first time emphasized the location of our kray on a Russia-wide scale for an outlet overseas in a conceptual material published in VOLNAYA KUBAN under the heading "How Are We To Reconstitute Kuban?" It emphasized that Kuban, by virtue of its geographical, political, and border location, was condemned to have stable, important outlets to foreign countries. Agreements between Cyprus and Russia were realized, and fruitful contacts with Greece, Turkey, and cities of the Near East and South Europe began under Yegorov. But today, in VOLNAYA KUBAN's view, these relations are in a stagnation phase.

[Question] What now, in your view, the view of a deputy prime minister, needs to be done so that Kuban does not remain within an exclusive circle?

[Yegorov] You have observed correctly that the characteristic features of stagnation are, truly, beginning to appear here. I consider this to be connected with the fact that one kray administration chief departed and that a new one was appointed four and a half months later, and he has not had sufficient time to go into all problems in detail. Second, this depends on the business circles. And I have to say that Krasnodar Kray is in second place after Moscow in terms of ramification of the banking system, but it lacks the necessary infrastructure for the development of international relations. You will recall that at one time we spoke about the creation of a system of authorized banks and about the use of the block of shares that is held by the kray. We spoke about a currency exchange, about a clearing system. But everything remains at the level of mere wishes as yet. Our neighbors—Rostov Oblast—have already overtaken Kuban. A currency exchange is operating there.

Fifteen percent—and this is a huge sum—of arrears has been eliminated as a result of the introduction of a clearing system of payments. That is, we need now either to force the economic institutions operating on the territory of the kray to tackle these questions or simply to change the team. Because all those who today are unwilling to get down to business or who are impeding its development are objectively working to the detriment of the kray. We have exchanged opinions with Yevgeniy Mikhaylovich Kharitonov on this matter, and we understand the first cause of these phenomena.

The Press Needs Independence

[V. Lameykin] In developing the principles of regional policy, you could not in the Ministry of Nationalities have passed over in silence such a question as the interaction locally of the branches of power and the press. We are encountering amazing things: As soon as authorities appear, they immediately need a press dependent on these authorities. An example: KUBANSKIYE NOVOSTI is the newspaper of the administration; the Legislative Assembly set to work, and its second step—it sees the newspaper as its own. The city Duma in Krasnodar adopts the decision to make as its official organ another kray newspaper, which prior to this had officially been declared the party newspaper of the LDPR. What is your viewpoint on this score?

[Yegorov] I am profoundly convinced that a truly independent press is needed. I have come to this conclusion via the most varied stages of my own development. Because it is very easy to accept and say pleasant things. But to tell the truth and express one's own opinion is difficult. The second way is more effective for real life. The independent expression of one's viewpoint, that is. We lived for 75 years in a country where everything was divided only into black and white. We have all yet to live under conditions where the entire spectrum of opinions is ascertained.

The problem of the relationship of the authorities and the press revolves, as always, around finances. Those who dispose of the finances make the decision here. How competent and objective it is will depend on their understanding of this pertinent problem.

The Speaker Business: 'With Your Eyes Open....'

[Question] Nikolay Dmitriyevich, what was the administration chiefs' view of the fact that a legislature and an executive operate in our kray?

[Yegorov] Well, I should tell you that the administration chiefs probably very much liked to work without a legislative body. And, naturally, the start of its work contained some element of surprise for them. Some apprehensions and undue concern came to be displayed, therefore. Everything is initially perceived passionately and then sorts itself out—real life puts things in their place.

[Question] The business of the kray's speaker will, most likely, have reached you?

[Yegorov] I have in regard to Krasnodar Kray the fullest information from the most diverse sources. I know about the story involving the speaker. There is the saying: You went into it with your eyes open.... As head of the kray administration, I once suggested that he resign as head of the administration of Timashevskiy Rayon. With justification. A long time was spent deciding this problem. It was then concluded that it was impossible to hold office with the violations that he had perpetrated.

Deputy Premier Visits Volgograd, Kalmykia

MM1105124195 Moscow SELSKAYA ZHIZN in Russian 11 May 95 p 3

[Reports by Valeriy Savelyev and Yuriy Yudin: "On Tour Round the Country"]

[FBIS Translated Text] Russian Vice Premier Aleksandr Zaveryukha visited the jubilee celebrations in Volgograd. On 9 May he took part in the ceremony of laying wreaths at the Eternal Flame on the Square of Fallen Soldiers — the central square of the Hero City. Later the vice premier, together with a column of frontline and home front veterans, representatives of the oblast's society, and foreign guests from cities twinned with Volgograd, completed a March of Peace and Memory to Mamayev Kurgan, where a celebratory rally was held.

In his speech on Russia's most illustrious burial mound A. Zaveryukha noted on behalf of the government the prominent significance of the Battle of Stalingrad in the history of the Great Patriotic War, paid tribute to the veterans of the front who had survived to the 50th anniversary of Victory, and did homage to those who laid down their lives here on the Volga in the name of our future.

The business side of the visit included visiting Svetloyarskiy Rayon and studying the work of the "Privolzhskaya" agrarian firm, famous for its agricultural techniques for growing and processing sorghum, a highly rare crop for Russia. Here too Aleksandr Zaveryukha had a meeting with representatives of the rayon's agro-industrial complex and the local organization of the Agrarian Party of Russia.

At the gathering people enquired about the measures undertaken by the government to improve the financial system in the countryside, the material and technical support for the field work, the restoration of manageability to agriculture, and the progress of the election campaign, which is effectively under way. The Russian vice premier gave exhaustive replies to the questions posed. [Savelyev ends]

[Yudin] On 10 May A. Zaveryukha, deputy chairman of the Russian Federation government, arrived in Kalmykia. He will spend two days here. His program includes a visit to the rice-growing region, where there are many problems connected with the condition and maintenance of hydrotechnical amelioration systems and with water and energy supplies, and study of the experience of the "Stepnoy" Order of the Labor Red Banner State Farm.

On the second day he will visit the so-called chernozem region, where in recent years significant areas have been subject to desertification and whence during storms the sand is blown as far away as France.

The vice premier will also visit Laganskiy Rayon, which in recent years has suffered huge damage connected with the rising level of the Caspian Sea, and will meet with employees of the republic agro-industrial complex.

Causes of Crisis in Maritime Area Examined

LD1105110495 Moscow ITAR-TASS World Service in Russian 0230 GMT 11 May 95

[By ITAR-TASS correspondent Krivolapov]

[FBIS Translated Text] Vladivostok, 11 May — The aim of the government commission led by Petr Karpov, first deputy chairman of the Federal Committee for Bankruptcies, is to examine the causes of the crisis in the fuel and energy complex, and mutual non-payments in the Maritime Territory's economy. The commission arrived in Vladivostok today at the instruction of First Vice Premier Anatoliy Chubays. The commission consists of 57 members and includes representatives from the Finance Ministry, Ministry for Fuel and Power Engineering, the taxation services, the Federal Security Service, and the Ministry of Internal Affairs.

In an exclusive interview, Petr Karpov told the ITAR-TASS correspondent that the repeat visit by the government commission, with its previous aims, is due to the fact that the joint protocol between the administration of the Maritime Territory and the government commission, which worked here in March of the current year, is not being implemented by the Maritime Territory. As is known, the shortcomings identified in the work of the Territory's administration, as well as the strike of the coalminers in March- April 1995, and the critical situation in the Maritime Territory, have become the subject of discussions by the Russian Government. Touching upon the issue of financing the territory's power engineering by the center, Petr Karpov said that the federal budget cannot further continue giving huge subsidies. The mechanism for subsidies itself is out of date, and it will be radically changed. The chairman of the commission stressed that before Moscow did not interfere in the affairs of the Maritime Territory, but now a critical situation is brewing and the federal government has to react to this.

"Our task," Petr Karpov stressed, "is to examine the situation so that we no longer have to send commissions to the Maritime Territory, and simultaneously to prevent possible social explosions."

Adygea Assembly Adopts Constitution

954F2233A snodar VOLNAYA KUBAN in Russian 14 Mar 95 p 1

[Report by Correspondent V. Krasotin: "Constitution of Agygea Adopted"]

[FBIS Translated Text] Maykop—The session of the Adygea Legislative Assembly culminated on the evening of 10 March in the adoption of the republic constitution. It took the deputies four days to discuss the draft, numbering 112 articles, proposed by the Constitutional Commission. The bulk of the time was taken up, what is more, with the study of the 10-15 articles containing points of principle: on the formation of a state assembly, citizenship, the post of prime minister, the Constitutional Court, and others.

The session was tense, and at times dramatic. A real threat of parliament's dissolution arose in the morning of the final day of business on account of the impossibility of finding a compromise solution on Article 64, regulating the procedure of the election of deputies of the new state assembly of the republic. But political wisdom prevailed. The formation of the statehood of Agygea was with the adoption of the Constitution practically completed. The contours of the republic have acquired a precise appearance. It is a democratic state based on the rule of law within the Russian Federation, recognizing on its territory the supremacy of the Constitution of the Russian Federation. The principle of the parity formation of the legislature and the executive, ensuring their balance, has been elevated to a fundamental provision here. In accordance with the Constitution, the post of prime minister has been introduced in the republic, and a constitutional chamber will be created, the president cannot dissolve parliament, and the dismissal of the parliament itself is possible only via a referendum.

As a result of the work that was done, as Deputy A. Dorofeyev, coordinator of the faction For a Just

Constitution of Adygea, emphasized, a document that could be a model for other components of the Russian Federation was created.

Today, 14 March, there will be in Maykop a congress of the peoples of Agygea, at which representatives of the peoples that live here will append their signatures to the republic Constitution.

Novosibirsk Poll Defines National 'Enemy'

954F2245A Novosibirsk VECHERNIY NOVOSIBIRSK in Russian 4 May 95 p 5

[Article by Konstantin Bunakov and Igor Turchin, researchers in Novosibirsk study: "The West Will Help Us, If It Does Not Devour Us First. In the Mirror of Sociology"]

[FBIS Translated Text] Recently sociologists of the Siberian Personnel Center and the Sotsium Center for Analytical Research conducted a study on the subject "The Image of the Enemy as Interpreted by Novosibirsk Residents."

The data of the sociological study revealed among our citizens, on the one hand, a steady sense of uneasiness and uncertainty about tomorrow, and, on the other hand, a permanent Russian characteristic, the perpetual search inside the country and abroad for those who are to blame, but only not in themselves. Nevertheless, the results of the study convince one that there are reasons for this all the same, judging by the world outlook of our fellow countrymen. Study participants Konstantin Bunakov and Igor Turchin express their opinion concerning this study.

Once upon a time a Kuprin hero, replying to the question of a sergeant major: "Who are the enemies 'around here,' smartly reported: 'Khrenchmen, Englishmen, Germans, and Atalians.'" As is obvious, the agitation and propaganda section was doing its job even in tsarist Russia. But today, when literally of the all Russian mass media, vying with one another, are trying to convince Russians that now, after the conclusion of the Cold War, they are surrounded entirely by friends and well-wishers, the distrustful residents of the former USSR, at least a substantial part of them, nevertheless think somewhat differently.

Forty-six percent of all of the polled Novosibirsk residents think, for example, that, as regards a military threat from the outside, Russia is in even greater danger at the present time than previously. Such fears are shared by 43 percent of the laborers, 61 percent of the office workers, 42 percent of the representatives of the intelligentsia, 37 percent of the students, and 53 percent of the pensioners.

It is easy to note that the enumerated groups of Novosibirsk residents objectively are bearers of traditional Soviet values and habits. Such as love for the Motherland, concern about strengthening its power (an mainly owing to an increase in defense capabilities), Soviet patriotism, vigilance, and a guarded attitude toward everything Western and capitalist.

In the opinion of 46 percent of the pollees, the Cold War, nevertheless, is still not over, and it is now simply being waged not by capitalism against communism, but by capitalism against Russia, and as a matter of fact against the Russian people themselves. The mass media is now spreading the point of view that the Western countries would like to see Russia strong and prosperous, and that they are prepared to accept it in their equal rights circle. But 63 percent of the polled Novosibirsk residents hold a different point of view. They think that the West is simply playing with Russia like a cat with a mouse, and that the West does not need a strong competitor in the world's sales markets and in the world political arena of the 21st century. Moreover, representatives of the most diverse social groups agree with this opinion.

The opinion can be heard more and more frequently that conversion is our internal war against the defense complex of the country. It is as if the West has already waged a "hot" war against the USSR by the method of political manipulations and diplomatic tricks, without losing one of its soldiers in the process, and with the hands of Russians themselves it has wrecked nearly half of their Army (as regards arms and the personnel complement).

While securing for itself peace with the West by the method of unilateral concessions, Russia literally forgot that it had extensive southern and eastern borders. But what if it starts to blaze exactly there? Having made peace with our traditional enemies, at the same time getting very weak, did we not thereby generate the temptation among our neighbors to become new enemies in the foreseeable future?

Evidently, it is not accidental that Russian society as a whole, and Novosibirsk residents in particular, are beginning to realize that Russia, nonetheless, needs a strong army. This is the opinion of 89 percent of all of the polled respondents—representatives of the most diverse groups. For example, 39 percent of the polled women believe in the possibility of an attack on our country. This percentage is a little lower among men (evidently, more professional knowledge of military aspects has an influence—if we had less nuclear warheads than the Americans by a factor of 1,000, our mutually destructive global retaliation would still be assured).

Forty-one percent of all pollees generally do not believe in the possibility of an armed attack on Russia. It is noteworthy that before perestroyka, 47 percent of the Novosibirsk residents did not believe this. Propaganda sketched for us the aggressiveness of world imperialism, but the people sincerely believed that the USSR was the most powerful state in the world (according to official data, we only maintained parity). And for anyone to encroach upon it was viewed by the Soviet people then as obvious suicide. But even now, 64 percent of our respondents do not see a potential direct aggressor in the United States, although only 18 percent believe that America sincerely wishes us good. But the borders of Russia with its neighbors—the former "fraternal" republics—that were arbitrarily carved out trouble 47 percent of our respondents who do not rule out that given a clumsy internal and external policy of the new Russian leadership, they could in the future constitute a threat to the security of Russia (and especially if our neighbors also join NATO).

However strange, China is considered to be a probable future enemy of Russia. This is what 32 percent of the respondents called it. Moreover, Novosibirsk residents rather clearly understand the political nuances—at one time communist China was at odds with the communist Soviet Union. Now communist China has acquired on its flank a capitalistic, but substantially weakened Russia. The overpopulation of China and the possibility there of unexpected shocks (internal conflicts, epidemics, famine, etc.) are considered by Novosibirsk residents a potential threat on the part of China in the plan for the "last leap to the North," first of all into the very rich and sparsely populated Siberia.

Economic Issues

Preparatory Work for New Budget Ordered

MM1005113995 Moscow ROSSIYSKAYA GAZETA in Russian 7 May 95 p 4

[Russian Federation Government Decree No. 331 "On the Formulation of the Forecast for Russian Federation Socioeconomic Development and the Draft Federal Budget in 1996," signed by V. Chernomyrdin, chairman of the Russian Federation Government, and dated Moscow, 15 April 1995]

[FBIS Translated Text] The Russian Federation Government decrees that:

1. The Russian Federation Ministry of the Economy with the participation of the Russian Federation Ministry of Finance, other Russian Federation federal executive organs, and the Central Bank of the Russian Federation [CBRF] shall formulate, in accordance with the Russian Federation Government "Reforms and the Development of the Russian Economy in 1995-1998" Program, and submit by 20 April 1995 to the Russian Federation Government scenarios for the functioning of the country's economy in 1996, which include targeted parameters, fundamental decisions, and measures in the sphere of financial and economic stabilization and institutional, social, investment, structural, foreign economic, and regional policy.

2. The Russian Federation Ministry of Finance, in conjunction with the Russian Federation Ministry of the Economy and the CBRF, shall formulate and submit by 20 April 1995 to the Russian Federation Government proposals regarding the shaping of the main avenues of budgetary policy in 1996, the development of tax reform, and the further improvement of budgetary federalism.

3. The Russian Federation Ministry of the Economy shall by 5 May 1995 provide federal executive organs and Russian Federation components' executive organs with the materials needed to formulate sectoral and regional forecasts, including various scenarios for the functioning of the economy in 1996, a series of forecast indicators, and methodological recommendations regarding their compilation.

4. The Russian Federation Ministry of Finance shall by 5 May 1995:

provide federal executive organs with methodological material regarding the completion of applications for federal budget funding of expenditure in 1996 based on a macroforecast of the country's socioeconomic development;

provide Russian Federation components' executive organs with recommendations regarding the completion of and procedure for the submission of applications for budget funding in 1996 of federal targeted programs and regional development measures, implemented in accordance with Russian Federation presidential edicts and Russian Federation Government decrees.

5. The Russian Federation State Committee for Statistics shall:

submit by 5 May 1995 to the Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, and other federal executive organs the requisite statistical information based on lists of indicators coordinated with the Russian Federation Ministry of the Economy and the Russian Federation Ministry of Finance;

ensure that territorial state statistics organs submit to Russian Federation components' executive organs by 5 May 1995 the statistical information needed to formulate regional forecasts and draft budgets;

provide federal executive organs and Russian Federation components' executive organs with the statistical information necessary to formulate socioeconomic development forecasts, the draft federal budget, and Russian Federation components' budgets for 1996 throughout the aforesaid work.

6. The CBRF shall submit by 5 May 1995 to the Russian Federation Government information regarding the implementation in cash terms of the 1994 budget along with information regarding the money supply in the Russian Federation.

7. The Russian Federation Ministry of the Economy shall hold a conference with representatives of federal executive organs and Russian Federation components' executive organs on matters pertaining to the formulation of the forecast for Russian Federation socioeconomic development in 1996.

8. Federal executive organs and Russian Federation components' executive organs shall formulate on the basis of an analysis of the trends in the development of economic sectors and regions and the material mentioned in Point 3 of this decree, as well as on the basis of organizations' intentions, preliminary forecasts for the socioeconomic development of economic sectors and regions in 1996 in terms of basic indicators and submit them by 25 May 1995 to the Russian Federation Ministry of the Economy for joint consideration.

9. Federal executive organs, Russian Federation components' executive organs, and state customers shall:

revise the amount of funds needed for the implementation in 1996 of federal targeted programs of appropriations for the procurement and delivery of output (goods, work, services) for federal state needs, carrying out at the same time a pre-contract analysis of the placement of orders for federal state needs, and submit by 25 May 1995 the corresponding draft applications to the Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, and the Russian Federation Ministry of Science and Technology Policy (insofar as the funding of scientific research and experimental-design work within the confines of federal targeted programs is concerned);

submit by 25 May 1995 to the Russian Federation Ministry of Finance and the Russian Federation Ministry of the Economy estimtes regarding the maximum levels of budget funding for the measures to ensure the effective functioning of the country's regions and economic sectors.

10. The Russian Federation Ministry of Labor and the Russian Federation Ministry of the Social Protection of the Population, with the participation of interested federal executive organs and Russian Federation components' executive organs, shall submit by 25 May 1995 to the Russian Federation Ministry of the Economy and the Russian Federation Ministry of Finance forecasts (with the requisite explanatory documents) for the socioeconomic development, living standards, and social support for the population in Russian Federation components in 1996, mindful of the possible consequences of the implementation of the bankruptcy mechanism.

11. The Russian Federation Ministry of Science and Technology Policy in conjunction with the Russian Academy of Sciences shall formulate and submit by 25 May 1995 to the Russian Federation Ministry of the Economy proposals regarding the forecast for the Russian Federation's socioeconomic development in 1996.

12. The Russian Federation Pension Fund, the Federal Compulsory Medical Insurance Fund, the Russian Federation Social Insurance Fund, the Russian Federal Employment Service, the Russian Federation Ministry of Transport, the Russian Federation Ministry of Environmental Protection and Natural Resources, the Russian Federation Tax Police Department, the Russian Federation State Tax Service, and the Russian Federation State Customs Committee shall submit by 25 May 1995 to the Russian Federation Ministry of Finance and the Russian Federation Ministry of the Economy a forecast for the formation and expenditure in 1996 of state extrabudgetary and targeted budget funds.

13. The Russian Federation State Committee for the Management of State Property shall submit by 20 May 1995 to the Russian Federation Ministry of the Economy and the Russian Federation Ministry of Finance a forecast for the development and transformation of organizational-legal forms of state and municipal enterprises and for the results of their privatization in 1996 (with a breakdown by economic sector and region and an indication of the forecast revenue derived from privatization and the commercial use of state assets).

14. The CBRF shall submit by 25 May 1995 to the Russian Federation Government the forecast Russian Federation balance of payments in 1996.

The Russian Federation Ministry of the Economy and the Russian Federation Ministry of Finance shall take the aforesaid forecast balance of payments into consideration when formulating the forecast for Russian Federation socioeconomic development and the 1996 draft federal budget.

15. The Russian Federation Ministry of the Economy shall submit by 10 June 1995 to the Russian Federation Government and the Russian Federation Ministry of Finance:

the main indicators for the forecast of Russian Federation socioeconomic development as a whole and in Russian Federation components in 1996;

a list of federal and interstate targeted programs adopted for federal budget funding indicating the volumes and sources of funding, and the draft composite budget application.

16. The Russian Federation Ministry of Finance shall: submit by 20 June 1995 to the Russian Federation Government the preliminary drafts of the 1996 federal budget, taking into consideration at the same time expenditure on federal state needs in accordance with the main indicators of the forecast for the Russian Federation's socioeconomic development in 1996.

17. The Russian Federation Ministry of the Economy and the Russian Federation Ministry of Finance shall formulate and submit by 20 July 1995 to the Russian Federation Government for examination and subsequent dispatch to the Federal Assembly:

the forecast for Russian Federation socioeconomic development in 1996 in terms of the main indicators, the state's draft composite financial balance, and a list of federal targeted programs proposed for federal budget funding in 1996;

the 1996 draft federal budget.

18. Federal executive organs, Russian Federation components' executive organs, and state customers for federal targeted programs shall by 1 November 1995:

submit to the Russian Federation Ministry of the Economy revised forecasts for the socioeconomic development of sectors of the economy and regions in 1996, mindful of the results of the Russian Federation Government examination of the preliminary forecast for Russian Federation socioeconomic development in 1996, the preliminary assessment of the state of the economy in 1995, and the possible scenarios for economic stabilization in 1996;

revise expenditure on the implementation of federal targeted programs based on their funding levels enshrined in the 1996 federal budget.

19. The Russian Federation Ministry of the Economy shall submit by 1 December 1995 to the Russian Federation Government a revised forecast for Russian Federation socioeconomic development in 1996.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

Moscow, 15 April 1995

Details of State Subsidies for Agriculture

MM1105113195 Moscow SELSKAYA ZHIZN in Russian 11 May 95 p 1

[Undated letter from Prime Minister Viktor Chernomyrdin addressed to Ivan Rybkin, chairman of the State Duma and member of the Agrarian Party of Russia Board, sent to SELSKAYA ZHIZN Editorial Office and published under the SELSKAYA ZHIZN heading "Measures Have Been Taken But They Will Hardly Help To Stabilize the Economy of the Agro-Industrial Complex" — first two paragraphs are introduction]

[FBIS Translated Text] As SELSKAYA ZHIZN has already reported, the All-Russia Assembly of Peasants held in Moscow 5 April demanded that the country's president and government adopt a series of measures to remedy the financial situation in the countryside. The assembly put forward a condition: Unless the demands are met by 10 May 1995, the agrarians reserve the right to organize a Russia-wide peasants' strike while the deputies' faction in the State Duma reserves the right to table a motion of no-confidence in the government.

Yesterday the editorial office received a letter from V.S. Chernomyrdin, chairman of the Russian Government, addressed to I.P. Rybkin, chairman of the State Duma and a member of the Agrarian Party of Russia Board. We now publish that document.

Esteemed Ivan Petrovich!

The Russian Federation Government has examined the statement of the Agrarian Party of Russia's State Duma faction and the demands of the All-Russia Assembly of Peasants on state support for the agro- industrial complex and presents its report on the essence of the questions raised.

The government shares the peasants' concern at the prevailing state of affairs in the agro-industrial complex and is taking all possible measures to stabilize the situation in this sector. Most of the questions raised by the assembly have been reflected in the laws, Russian Federation presidential edicts, and government decisions which have been adopted.

Despite the complex financial and economic situation in the country's economy the government has supported the agrarians' proposals and included in the draft Law

"On the 1995 Federal Budget" an allocation of 13.3 trillion rubles [R] for the agro-industrial complex, which corresponds to the 1994 level. These proposals have been adopted by the Federal Assembly and the president of the Russian Federation.

The Russian Government's decree No. 240 of 10 March 1995 "On the Economic Conditions for the Functioning of the Russian Federation's Agro-Industrial Complex in 1995" and decree No. 137 of 16 February 1995 "On Measures To Provide Mineral Fertilizers and Plant Protection Agents for the 1995 Harvest" envisage the retention of the main forms of state support for the agro-industrial complex including subsidies and compensation for livestock produce, pedigree livestock and superior grade seeds, flax and wool, mineral fertilizers and toxic chemicals, and the cost of electricity, thermal energy, gas, and other types of fuel used for the cultivation of vegetables under cover. Subsidies are being introduced for mixed feed for poultry farms and livestock complexes and federal budget subsidies for mineral fertilizers used for the cultivation of wheat for human consumption, sugar beet, and oil- bearing seeds are being increased from 30 percent to 50 percent. The cost of the mineral fertilizers and chemical plant protection agents supplied is counted as advance payment for the main types of agricultural produce supplied under contract to the federal and regional stocks. Existing tariffs for the shipment of fertilizers have been reduced by 30 percent for the period until 1 August 1995. Fuels and lubricants will be dispatched to farms on the basis of commodity credit on condition that the resources received are repaid between the completion of the harvesting work and 1 December 1995. The repayment of 1994 federal budget debts, the funding of current expenditure at the level of the implementation of the budget across the country as a whole, and the lease sale of equipment are envisaged. Measures have been outlined to provide support for private farms (R314 billion from the federal budget, 15 percent of the volume of capital investments from local budgets).

In accordance with the monthly schedule of funding for the first quarter of 1995, the agro-industrial complex has been allocated R2.19 trillion from the federal budget, or 122.4 percent. In addition, R177 billion have been set aside to settle the 1994 debt for the funding of construction work and the acquisition of equipment on lease terms.

By 24 April 1995 73 percent of the planned financial resources for the purchase of mineral fertilizers and toxic chemicals had been allocated. The countryside has received 30 percent of the planned total of active fertilizers. Most of the Russian Federation's components have concluded agreements with the Russian Finance Ministry on fuel supplies to the countryside on the basis of commercial credit totaling R9.5 trillion (6.2 million tonnes of diesel fuel, 3 million tonnes of vehicle gasoline, and 326,000 tonnes of diesel oil). In the same period R200 billion were provided for the lease purchase of agricultural equipment. By the aforementioned date around 10 million hectares of spring crops had been sown, which is 4.5 million hectares more than last year.

The Russian Federation Government's Law "On the Conversion of the Centralized Credit Debt and the Corresponding Interest Charges of Organizations in the Agro-Industrial Complex and Organizations Carrying Out the Shipment (Storage and Sale) of Produce (Goods) to Regions of the Far North and Equivalent Localities" has been adopted (Federal Law No. 46-FZ signed by the Russian president on 24 April 1995).

In accordance with that law the debt of organizations in the agro-industrial complex and the consumer cooperative movement for centralized credits and related interest charges is being converted into a state internal debt standing at around R18 trillion on 1 April 1995 to be repaid over 10 years beginning in 1998 with equal payments of 10 percent a year.

On questions of the privatization of enterprises in the processing sectors, production and technical services, and material and technical support for the agro-industrial complex, the government adopted a special decree on 28 February 1995 and approved the statute on the sale to agricultural producers by restricted subscription of shares in joint-stock companies created during the privatization of the aforementioned enterprises: The statute entitles agricultural producers to acquire a controlling stake.

The Russian Federation Government's Program "Reforms and the Development of the Russian Economy in 1995-1997" has largely been adopted: It envisages the targeted use of federal budget resources intended for the state support of the agrarian sector of the economy, mainly for the budget funding of the cost of increasing soil fertility, fundamental scientific research, pedigree stock raising and superior-grade seed cultivation, and the funding of promising investment projects on a competitive basis. The draft Program for the Stabilization and Development of Agro-Industrial Production in the Russian Federation in 1996-2000, prepared by the relevant ministries and departments, is currently being revised to take those factors into account.

The government's draft decree on questions of managing the social insurance fund in the agro-industrial complex has also been prepared.

All the legislative acts and decisions on problems of the functioning of the agro-industrial complex this year are being constantly monitored by the government, the relevant ministries and departments, and local executive organs.

M.I. Lapshin, leader of the Agrarian Party of Russia State Duma faction, has been informed.

[Signed] V. Chernomyrdin

'Black Tuesday' Economic, Social Effect Viewed

MM1005161295 Moscow IZVESTIYA in Russian 11 May 95 p 2

[Article by Otto Latsis: "Russia's Population Continues To Pay for 'Black Tuesday'"]

[FBIS Translated Text] The financial and economic situation in Russia in recent months has changed markedly for the better. That is borne out by the slowing down of the pace of inflation, the stabilization of the ruble exchange rate, the deceleration of the industrial production slump (and in some sectors even an increase in production), and the continuing improvement of foreign trade indicators. But the social sphere has by no means recovered from the leap in prices caused by October's "Black Tuesday" — on the contrary, the situation continues to deteriorate.

Some of the most important social indicators have not once been so poor since 1992 as they were in the first quarter of this year. If you consider that now there are none of the powerful compensating sociopsychological factors which were operating in 1992 (the graphic transition which had taken place at the time away from the many years of the "trading desert" to the saturated consumer market and also the hope which existed that the social difficulties were connected only with the moment of transition to a market economy and would then ease off) then one can assert that in many respects the social situation now is the gravest in the entire time of the radical reforms.

Real wages on average per worker in March 1995 were 33 percent lower than a year ago and average real disposable money incomes were 8 percent lower (here and further the figures are those of the Russian Federation State Committee for Statistics). The decline in real wages was taking place even before "Black Tuesday" but was not as rapid and was covered by the growth of other incomes apart from wages. This has not been happening in the past six months.

Wages over the past few months have lost their permanent first place among the population's main sources of income. In the first quarter they comprised 40.3 percent of all monetary income while income from entrepreneurial activity, property, and others reached 43.7 percent (the remaining 16 percent consisted of pensions and other social transfers). Let us note that in the first quarter of last year the share of wages was 54.5 percent and that of "other income" 30.9 percent. The growth in the proportion of income apart from wages to a certain limit was undoubtedly a positive phenomenon. But it is already time to consider whether that sensible limit has not been exceeded. The situation when basic wages move to the category of an incidental source of income will hardly promise the country successful economic growth.

There has been an intensification of Russians' distrust in Russian currency. With the continuing high inclination toward savings this has merged into a further "dollarization" of personal savings. Whereas in March 1994 the population spent 12.4 percent of its money income on buying foreign currency, in March this year the figure was 15.2 percent. On the other hand the accumulation of savings in deposits and securities together with the increase in money in hand in March last year swallowed up 11.4 percent of monetary incomes while in March this year the figure was only 7.1 percent. With the stabilization in the ruble exchange rate which is taking place this conduct is hardly rational since interest rates on ruble investments are higher than on currency investments. Obviously a memory of the ruble's recent collapse and lack of faith in its future stability are being manifested here.

Particularly alarming are the continuing growth of social differentiation, the growth in the number of people with incomes below the subsistence minimum, and the deterioration in the distribution of incomes between workers in sectors of the national economy.

The subsistence minimum in March was 218,900 rubles [R]. The monetary incomes in the first quarter were just 177 percent of the subsistence minimum — that is the lowest ratio in the past two years. In the first quarter of last year this indicator was 212 percent. The increased level of poverty was also manifested in the fact that the proportion of the population with monetary incomes below the subsistence minimum was 30.4 percent in the first quarter (or 45.1 million people) as against 25.3 percent a year earlier.

Average monthly wages (without social payments) were R355,000 in March. But here are the figures for wages distribution according to sector (for February). On average for industry the figure was R382,200 (or 250 percent for January-February 1995 compared with January-February 1994). For agriculture the figure was R127,100 (the figure here was 216 percent), for construction it was R424,400 (226 percent), for transport it was R528,700 (232 percent), for housing and municipal services and nonproductive types of consumer services it was R352,300 (220 percent), for health care, physical culture, and social security it was R204,700 (166 percent), for education it was R190,400 (165 percent), for science and scientific services R238,100 (233 percent), for credit, finances, and insurance R655,600 (196 percent), and for the management organs apparatus R347,700 (181 percent).

If we discount agriculture a direct comparison with which in terms of wages is hardly fair because of the different structure of incomes, then at the bottom in terms of the level of wages are mass-based spheres of intellectual labor of social importance to the entire population like health, education, and culture.

For our country this is unfortunately not new and much the same situation has been existing for dozens of years now. But immediately several circumstances force us to note not simply the bad situation but also its drastic deterioration in recent months. First, in these three spheres (and only in them) wages as a whole have proved lower than the subsistence minimum and consequently the overwhelming majority of people in these mass professions are categorized outright as poor. Second, not only the absolute level but also the rate of growth of wages in these three sectors are the lowest in the past year. This has led to a deterioration in the correlation between average wages for workers in health and education and average wages in industry — after this correlation had improved in 1993 and the first half of 1994.

It is hardly necessary to explain what a doctor and teacher mean to each family and what they mean to the future of the nation. It is hardly possible to dispute that relegating people in these professions entirely to the category of the poor is shameful for Russia even in its present difficult position. And there is no doubt that with a consideration for this year's real financial situation the government can accelerate the growth in wages in these spheres compared with other sectors. Of course it is not a case of using inflationary sources for this purpose: The acceleration of the growth of prices would be a blow to the poor. Moreover, the present social difficulties are in fact caused by the leap in inflation in the fall and winter. But money was after all found to wage a war and to maintain an excessive number of armed forces....

International Affairs

Clinton Visit Previewed; Deemed 'Opportunity'

*WS1105084495 Kiev UKRINFORM in English
0726 GMT 11 May 95*

[Unattributed commentary from the "Current Events" feature]

[FBIS Transcribed Text] When a representative of one nation wants to express his respect to another nation, he often stresses "priority" he attaches to relations between his country and that other country, no matter how small that country may be.

In the past one and a half years, relations between the United States and Ukraine have developed markedly. The United States supported Ukraine's sovereignty, its national integrity, as well as its economic and political transformation programs.

The visit to the United States by Ukraine's President Leonid Kuchma heralded in a new era in relations between the two countries. The visit took place in November last year after Ukraine's ratification of the Nuclear Non-Proliferation Treaty. It was then that the United States began to relate to Ukraine as a sovereign nation which deserves respect from the leader of a Western democracy.

It is now up to us to ensure that these relations are not short-lived. The future of the relations will be determined by both our economic successes and failures. As of now, Ukraine is fourth on the United States' foreign policy priority list — after Israel, Egypt, and Russia — that is, among nations who have received various forms of assistance from the United States. In the 1994-95 fiscal year, the United States allocated 900 million dollars to Ukraine from its budget. At the same time, President Bill Clinton noted that such funds are severely limited, therefore Ukraine must use the credits as productively as possible by speeding up and intensifying its economic reforms process.

For now, all seems to be alright with the granting of credits. However, the state of the trade and economic relations between the two countries cannot be described as satisfactory. Last year, Ukrainian enterprises traded with partners in over 140 countries. Imports from the United States made up only 3 percent of Ukraine's total, while it was impossible to keep track of Ukraine's exports to the United States, because of its insubstantial volume. This situation cannot be blamed on Ukraine alone. It should be noted that the United States market is very conservative, especially its market for high-technology products and modern equipment.

However, there are signs of positive steps being taken by both countries. For example, Ukraine's Paton Welding Institute (under the Ukrainian Academy of Sciences) and its American partner opened a small sales exhibition of high technology equipment for magnetic-impulse welding and ion-plasma electrolysis. Agreements under which the American side will purchase some of the equipment are being finalized.

After the aforementioned visit to the United States by Ukrainian President Leonid Kuchma, not much time has elapsed for the Ukrainian-U.S. Charter on Partnership, Friendship and Cooperation as well as the joint declaration on future cooperation in the field of aerodynamics to be implemented. These documents were signed as a result of the disarmament steps which were taken by Ukraine — its decision to assume the status of a nuclear-free nation.

In the charter, the two countries expressed their intentions to speed up and broaden contacts, especially political, security, economic, cultural and environmental cooperation. A greater part of the document was dedicated to economic cooperation. According to the charter, Ukraine is obliged to conduct an economic reform program as soon as possible, while the United States asserted its readiness to offer financial assistance — both directly and through international financial organizations. It should be noted that neither the International Monetary Fund, the World Bank, or the European Bank for Reconstruction and Development would have been so quick to come to the aid of Ukraine had it not been that the United States solicited for Ukraine.

Ukraine can hardly count on an increment in the amounts of credits. It will have to be paid back with interests. If Ukraine fails to achieve any substantial success on its way to market reforms within the next three or four years, then it will become a chronic debtor.

In the case of successes in economic reforms, Ukraine can count on U.S. investments which do not lead to further indebtedness and are far more effective than credits. To make this possible, Ukraine will have to make a lot of changes — both in its legislation and relations to foreign assets, including land.

U.S. Deputy Secretary of State [title as received] Strobe Talbott once said that Ukraine could bring development in Europe to a halt if it delayed in carrying out economic reforms. He expressed hope that such a thing will not happen. Ukraine is also hoping that it will not happen.

U.S. President Bill Clinton will arrive on an official visit to Ukraine on May 11. That will be his second visit in the past one and a half years. The first visit took place in January of last year when a tripartite declaration on granting financial assistance and guaranteeing Ukraine's national security was signed by him and the presidents of Russia and Ukraine. For now, Ukraine is a priority nation to the United States. It believes that we are capable of finding the intellectual strength to go through with economic reforms.

Mr. Clinton will arrive in Ukraine after holding difficult talks with Russia's President Boris Yeltsin. We, however, must not take advantage of the current difficulties in relations between the United States and Russia. This is not befitting of a nation which commands trust and respect in the international arena. Kiev cannot replace Moscow as a strategic partner to the United States. Furthermore, Russia has granted Ukraine more credits than even the United States.

The upcoming visit pulls Ukrainian-U.S. relations out of the framework of "nuclear interests." The visit offers Ukraine the opportunity to direct relations between the two countries towards the development of market reforms as well as strengthening the international security system. For Mr. Clinton, a Democrat, it is an opportunity to change the views of the Republican-dominated U.S. Congress on its international priorities as well as to relations with Ukraine.

This visit may offer Ukraine the opportunity to turn its relations with the United States into normal trade, economic and political relations and not just a relation between a donor and a recipient.

Clinton To Meet Kuchma, Marchuk

WS1005144995 Kiev Ukrayinske Radio First Program Network in Ukrainian 1400 GMT 10 May 95

[FBIS Translated Text] The first official visits by U.S. President Bill Clinton to Ukraine starts on 11 May. The program of the visit envisions negotiations, and the U.S. President's talks with Ukrainian President Leonid Kuchma, Ukraine's Acting Prime Minister Yevhen Marchuk, and other high-level Ukrainian officials. U.S. President Clinton will speak before Kievites in the square near the Taras Shevchenko National University, lay wreaths at the Tomb of the Unknown Soldier and at the memorial to victims of Babyn Yar.

A number of bilateral agreements are expected to be signed within the framework of the visit, aimed at developing partnership relations between Ukraine and the United States and further expanding the spheres of bilateral cooperation.

Talks To Center on Economic Reform

WS1105100495 Kiev INTELNEWS in English 0145 GMT 11 May 95

[Report by Natalia Olynec]

[FBIS Transcribed Text] Kiev, May 10 — U.S. President Bill Clinton will arrive in Kiev on Thursday [11 May] to conduct talks with President Leonid Kuchma centering on Ukraine's economic reform, said Kuchma's press secretary Mykhailo Doroshenko.

Other areas that will see attention in the discussions are "the current situation in Crimea, development of Ukrainian-Russian relations and expansion of NATO. It is important for us to get the United States' support of our efforts aimed at non-use of force," Doroshenko said.

Giving more details on the presidential dialogue, Clinton and Kuchma plan to sign up to 10 economic accords and a joint U.S.-Ukrainian communique, Doroshenko said Wednesday [10 May].

Clinton is scheduled to land at Kiev's Boryspil airport at 1:45 p.m. The entire afternoon will be reserved for the two heads of state to hold closed negotiations at Marinsky Palace, Kuchma's official residence.

Clinton will focus on attracting foreign investment to Ukraine, a country suffering from a reputation for high-risk due to unstable economic legislation and organized crime.

Ukraine's bad image is turning around, as Kuchma implements his economic reform plan, according to Western officials. Despite its largely socialist leanings, Ukraine's parliament last month adopted a strict state budget that clinched an International Monetary Fund US$1.5 billion standby credit to improve Ukraine's balance of payments.

The karbovanets, Ukraine's interim currency, has stabilized after months of hyperinflation. The new currency, the hryvnia, is expected to be introduced by autumn.

With most of the official state business concluded Thursday, the U.S. president will spend most of Friday touring Kiev sites. Clinton will recognize Ukraine's contribution to the Allied victory over the Nazis ashe pays his respects to fallen Ukrainians at the Tomb of the Unknown Soldier on Friday morning. At about 10 a.m., Clinton will address Kievites with a public speech in front of Taras Shevchenko State University on Volodymyrska Street. The speech will be preceded with a concert by Ukrainian pop star Iryna Bilyk. After the speech, Clinton will visit the Babyn Yar memorial. A state dinner and concert in Clinton's honor will be held Friday evening.

Clinton will be accompanied by Secretary of State Warren Christopher, Deputy Secretary of State [title as received] Strobe Talbott and Secretary of the Treasury Robert Rubin.

Christopher is expected to meet with Foreign Minister Hennadiy Udovenko and hold negotiations with parliament leaders.

Rubin and senior Treasury Department officials will address the American Chamber of Commerce on Friday morning. Rubin will also visit the Kiev-based Johnson Wax household-products plant.

U.S. first lady Hillary Rodham Clinton will meet with a Ukrainian women's organization and visit a Kiev hospital and ballet school.

The entire delegation will depart for Washington on Friday afternoon.

Udovenko on Clinton Visit

LD1005210895 Moscow INTERFAX in English
1944 GMT 10 May 95

[FBIS Transcribed Text] KIEV, May 10 (Interfax - Ukraine) — Ukraine hopes a forthcoming visit by U.S. President Bill Clinton will give a new impulse to the two countries' relations, the former Soviet republic's Foreign Minister Hennadiy Udovenko said on Wednesday [10 May].

A "traditional scheme" will be followed during the visit: "several groups led by specialists will be discussing concrete aspects of bilateral relations," Udovenko told reporters in Kiev after the signing of Ukrainian-U.S. accords. One of the groups will deal with foreign policy, the other two with economics, he said.

The minister said that, meeting his Ukrainian counterpart, Leonid Kuchma, on Tuesday, during a Victory Day reception in Moscow, Clinton commended the current state of Ukrainian-American relations and promised Ukraine further support.

Udovenko said a declaration on the development of cooperation between Ukraine and the United States would be the only document to be signed by the two presidents during Clinton's visit.

Accords Signed With U.S. on Aviation, Nuclear Safety

LD1005214495 Kiev UNIAN in Ukrainian
1815 GMT 10 May 95

[FBIS Translated Text] Kiev — On the eve of the U.S. President's visit to Kiev, three intergovernmental accords were signed at the Ministry of Foreign Affairs of Ukraine on 10 May.

William Miller, U.S. ambassador extraordinary and plenipotentiary to Ukraine, and Ukrainian Deputy Transport Minister Mykola Marchenko signed a protocol on an amendment to the 1990 civil aviation air transport agreement.

As the U.S. Embassy to Ukraine announced, this document will enable four airlines from each country to carry passengers and two each to transport cargo, with a total of 22 flights per week. Under the protocol, the airlines will operate on a limited basis in partnership with third parties.

William Miller and Yuriy Kostenko, Ukraine's environment and nuclear safety minister, signed a protocol of intent on U.S. aid to the nuclear safety research center in Slavutych. Under this protocol, in the next two years the United States will contribute three million dollars to the center's development, while next year the United States will, in addition, help improve the operational safety of Chernobyl nuclear power plant's first and third reactors pending the plant's closure, with some primary steps to raise fire protection and operational safety standards at the plant to be taken immediately.

Finally, William Miller and Ukrainian acting Health Minister Andriy Serdyuk signed a protocol on research into thyroid gland diseases and, in particular, thyroid cancer as the result of the Chernobyl accident. Under the document, joint activity will focus on the cases of thyroid gland diseases among those who were exposed to the effects of the accident in childhood, with the cost of the respective project estimated at around one million dollars per year. Funding will come primarily from the U.S. Department of Energy. It is expected that the 15-year medical supervision program will cover an extensive section of the population.

Udovenko's Trips to London, Paris Reviewed

LD1005190795 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 10 May 95

[FBIS Translated Text] As already reported Ukrainian President Leonid Kuchma received invitations from London and Paris to take part in the events commemorating the 50th anniversary of VE Day. At a briefing held today at the administration of the president, the significant role of Ukraine in the victory over fascism was stressed. Because of a full schedule of internal issues, Leonid Kuchma could not use the invitations. Therefore he appointed Foreign Minister Hennadiy Udovenko to act as his personal representative. The Ukrainian delegation as well as representatives of many countries of the world took part in the celebrations in London and Paris. The delegation laid flowers to the Tombs of the Unknown Soldiers; the state flag of Ukraine was flown during the ceremonies.

Hennadiy Udovenko also met the British queen and prime minister, the head of the Canadian Government, and the U.S. vice president.

Kuchma Suggests New Round of Talks With Russia

LD1005143195 Moscow INTERFAX in English 1246 GMT 10 May 95

[FBIS Transcribed Text] KIEV, May 10 (Interfax-Ukraine) — Speaking with Russia's top leaders Tuesday afternoon, Ukrainian President Leonid Kuchma suggested that the Ukrainian and Russian Prime Ministers and Defense and Foreign Ministers meet soon for a new round of bilateral negotiations, a reliable source on Kuchma's staff told the Interfax-Ukraine agency Wednesday [10 May].

According to the source, Kuchma and Ukraine's Foreign Minister Hennadiy Udovenko held a brief discussion with Russian President Boris Yeltsin, Foreign Minister Andrey Kozyrev and Duma speaker Ivan Rybkin on May 9. The discussion focused on bilateral relations.

Kuchma and Yeltsin may be expected to meet again at the Commonwealth summit scheduled to be held late this month in Minsk.

Political Analyst Criticizes Pact With Russia

WS1005110095 Kiev VECHIRNIY KYYIV in Ukrainian 4 May 95 pp 1, 2

[Article by Mykola Mykhalchenko, president of the Ukrainian Academy of Political Sciences: "It Is Time To Dodge Hugs...."]

[FBIS Translated Text]**Ukraine has been seriously tested by "Russian switchbacks" at the beginning of 1995. Rapid ups and downs in relations with Russia replaced each other at a kaleidoscopic pace and were incomprehensible. It was expected that Ukrainian President Leonid Kuchma's visit to Moscow would slightly raise the temperature of relations. A few days, however, passed and Russian President Boris Yeltsin's visit to Lipetsk became a cold shower for Ukrainian- Russian relations. A short period of time passed, and when First Deputy Prime Minister O. Soskovets came to Kiev at the head of the Russian delegation, he removed a stumbling block — dual citizenship — from the framework of an interstate agreement. Finally, a Ukrainian delegation goes to Almaty where it is "broken" by persuasions to enter customs and border unions that would imply the loss of the last fig leaf covering an unconvincing image of the current Ukrainian statehood.**

What Happens To Russia and Ukraine, Since Such Ups and Downs Are Possible?

When a few of us, political researchers and publicists, forecasted "disorder" in Russia (the antagonism between the branches of power, the war in the Caucasus) three years ago, there was a glimmer of hope somewhere in the secret corners of our brain that perhaps our calculations were wrong, because it is the end of the 20th, not the 17th century.... As months passed, hope faded, making way for anxiety, because an unstable Russia in "turmoil" is a monster, which is going nowhere. Yes, Russia is a genuine threat to all: to its people, to neighbors, and to the entire world.

It is generally not difficult to ascertain **what is currently happening to Russia,** because all of us stewed in a common pool not so long ago. A Russian imperial ideal — picked up by bolsheviks — to become a world empire under the flag of an all-world union of soviet republics has flopped. Let the West not blow out its cheeks, this is not its victory. This is the defeat of the USSR that split into segments under the pressure of a critical mass of domestic and external circumstances.

Domestic circumstances were attractively presented in the CPSU program back in 1961: "The current generation of soviet people will live under communism." But such ambitious projects could not be implemented a priori, because not the individual with his needs, but a paranoid desire to overtake the United States in production of steel, coal, and oil, as well as in the number of missiles, submarines, and planes to, eventually, secure victory of the world socialist revolution was the primary aim of the state. Homo sovieticus [preceding two words in Latin] was only a means, a mechanism for achieving the global aim. To cheat the people for over 70 years is an apotheosis of social and political cynicism. Add to this various extravagant forms of ruining the people with the totalitarian system itself....

Permanent support of the international communist movement comprises the external circumstances. It undermined the welfare of a great country, made the entire planet a political battlefield, and generated parasitic systems that manipulated revolutionary phraseology.

Russia strived to cut the umbilical cord with its imperial and totalitarian past, and to embark on a path of democratic development. As of today, however, it is obvious that neoimperial ambitions, withdrawal from democratic norms, and the revival of authoritarianism are the result of squabbles between various social forces of Russia.

The principle of noninvolvement in Russia's domestic affairs must remain sacred for Ukraine. But since the facts of a rude violation of human rights in Chechnya have become evident, it is a manifestation of political cowardice to hide behind the principle of noninvolvement. If the Russian president says one thing in Moscow, another thing — in Lipetsk, and something completely different — in Almaty, it is expedient to realize such a particular concept: **Such an individual cannot be trusted.**

Yes, Ukraine prefers the stable, democratic, and peaceful Russia, with whom cooperation would have been possible and critical. However, **it is impossible to agree with the position that it is worth striving for cooperation with any Russia.** A militarist, authoritarian Russia is a dangerous neighbor, and it makes sense to think today **what to do** if Russia becomes one.

The Ukrainian press has published a variety of articles in praise of O. Soskovets's visit to Kiev and the initialing of an agreement between Ukraine and Russia. It is, however, too early to clap one's hands. A few options are possible.

First, rapprochement with Ukraine is a tactical move of the Yeltsin administration to demonstrate — on the background of dragonish militarist activities in Chechnya — to the West that in general "the situation on CIS territory is under control." It is aimed at making Western criticism of Moscow more cautious, and it obviously will not prevent the granting of new credits. A reason to blame all sins on Ukraine will be found at some point, and the signing of the agreement will again be postponed.

Second, the Kremlin could sign this agreement, relying — not without grounds — on the fact, **that the Russian legislature will not ratify this agreement with Ukraine, an equal subject of international law, all the same!** The situation — neither peace, nor war — will be favorable to Russia, because it has gotten experience in dealing with such situations.

Third, signing and ratifying the Russian-Ukrainian agreement in Russian and Ukrainian legislatures does not dot all "i's" and cross all "t's." The history of the USSR in general, as well as the history of contemporary Russia in particular demonstrate that agreements are valued if they are beneficial to the empire. Therefore, only democratization, the implementation of reform in Russia, and a decisive refusal of neo-imperial foreign policy could genuinely guarantee agreements.

Anyway, it is clear: **Even if an agreement is signed in the spring, its eventual destiny will be determined by the results of legislative and presidential elections in Russia.** If "lawyer's sons," "children of October", and other forces of the same breed win, the sovereignty of Russian autonomous republics, of new independent states, and even of members of the "socialist camp" will become more than doubtful....

Ukraine, Ukraine, Where Are You Going? Who Are Your Friends, Who Are Your Enemies?

The economic and political situation in Ukraine is no less complicated than in Russia. Ukraine does not have such considerable natural resources as Russia does. In addition, by declaring itself the legal successor of the USSR, Russia has appropriated all the property of the former collective state, the shared hard currency fund, reserves of precious metals and stones, and other material and spiritual treasures of the people of the former empire, thus again robbing its former provinces-colonies.

A Ukrainian state began to be built from a segment of the empire. Its industry reflected the empire's infrastructure — a giant military-industrial complex, and economic and financial departments that were 90-percent connected to the empire's center. In addition, Ukraine obtained — in legacy — coal, metallurgical, and chemical, machine-tool and machine building industries with outdated equipment and technologies. All this to a great degree explains why production has catastrophically decreased, and why Ukraine's products are not in demand.

During a meeting between Russian and Ukrainian politicians, a Yeltsin adviser "exposed" himself: "How lucky Russia is that coal-extracting Donbass and outdated metallurgy remained in Ukraine. Their recovery or modernization would have ruined Russia financially." This was clear and understandable. Let the funds which Russia did not invest during the 1960's and 1970's to modernize Ukraine's coal and metallurgical industries (and Russia did have billions of petrodollars!) fall like a Damocles's sword on the head of arrogant Ukraine....

The economic situation in Ukraine becomes more complicated due to indecisiveness in choosing an economic path, squabbles between reformers and antireformers, an inefficient government, the general "disorder" of production, corruption, and systematic embezzlements.

Reform in the economy does not go further than pure rhetoric. The reasons for this situation were studied in the "Ukraine Has Stopped in Expectance: Reform, Catastrophes, or Restoration?" article published in the "VICHE" monthly in December 1994. Therefore, we will not dwell on detailed argumentation, but will only state: **The course of "restoring relations with Russia" has no future,** because there are influential forces in Russia itself that have no interest in restoring former relations; in addition, if new relations are formed, they will be exceptionally directed toward the specific interests of Russia.

Ukraine's policy toward Russia should be drastically changed. There now exists a serious viewpoint in Ukraine according to which Ukraine could be saved by nothing other than economic integration with Russia. This viewpoint has nothing in common with scientific studies. It is introduced into people's minds either by the people who in general **do not understand the essence of our relations with Russia or pursue an anti-Ukrainian policy.**

Strengthening Ukraine's dependence on Russia is the essence of the policy of economic integration with Russia. A deliberate and urgent need to decrease the level of Ukraine's dependence on Russia, to develop mutually beneficial and equal relations with both Russia and other countries meets the national interests of Ukraine.

The Russian rulers' attitude toward Ukraine is a traditional attitude of an imperial center toward a province, an "inseparable part." In general, the key to the Russian policies lies in the fact that **Moscow refuses to understand that Ukraine is a totally foreign state, no matter how many of its people speak Russian.**

If the opinion about Ukraine as a fully sovereign entity became steadily predominant in Russian society the Moscow leadership would find it easier to pursue a balanced and realistic policy toward Ukraine. This, incidentally, would be advantageous to Russia itself.

That kind of policy would have to be based on the following principles:

— an unconditional acknowledgement of Ukraine's territorial integrity and decisive fencing from the pro-Russian separatists' activities;

— rejection of using economic relations as a lever to exert pressure on Ukraine;

— termination of psychological and informational warfare with Ukraine;

— conducting realistic and balanced policies to resolve the old problems (in particular, that of the Black Sea Fleet).

We could dwell on other factors, too. The principal issue, however, is the perception of Ukraine [by Russia] as **an independent state and an equal partner.**

It seems, however, that accents in Russia's policies will not be shifted in that direction any time soon. Electoral competition for seats in the Russian parliament and for the presidential post will be dominated by cruelty toward Ukraine and neo-imperial intentions.

The Russian rulers, or rather their analysts and advisers, realize the importance of retaining Ukrainian dependence on Russia, especially for energy resources. They understand all too well that Ukraine's major problem is its obsolete energy-consuming production cycles. The longer they remain unchanged the longer the structural economic reform will remain a whim.

For Russia, the major advantage of this state of things is of a political nature. To gain this advantage, Moscow can even afford certain economic losses in the form of unpaid debts, new credits, and the like. The Kremlin understands perfectly well that these kinds of losses are extremely petty as compared to retaining the lever of economic pressure, due to which Russia will have a variety of means to influence Ukraine's domestic situation. First, it would be possible to block Ukraine's industries and orchestrate economic and social "mutinies," particularly in "Russophone" industrial oblasts. Second, while extending the existence of Ukraine's obsolete production cycles and intensively modernizing its own industries, as well as by reducing prices for its products due to cheap energy resources and raw materials, Russia would remove Ukraine — its natural rival in terms of similarity of products, their quality, consumers, and so on — from the world market.

The longer the status quo is preserved the more battles Ukraine will lose to its rival, and the fewer chances it will have to gain economic independence.

Third, by preserving Ukraine's dependence on Russia's energy resources Russia will retain the lever of political and moral pressure on our people, and demonstrate who is boss in the Ukrainian home. This can eventually be accompanied by threats: So to speak, be obedient or we will cut off oil supplies (Boris Yeltsin).

Fourth, by using political pressure and applying preferences to certain oblasts or structures, the "big brother" may corrupt and split our central and regional authorities by opposing them to each other and inciting clashes among the regions.

This analytical progression could be significantly extended and factors five, six, and so on could be cited. Even said arguments, however, are more than one needs to realize that **until Ukraine's economy becomes independent at least in one respect — its energy resources — our state will not gain political independence.**

The Ukrainian Government adds to the drama of the overall backdrop, given that it is preoccupied with the production of soap operas in a theater of the absurd. Instead of deeming the development of domestic energy-producing and energy-saving technologies as an unquestionable priority, and thus alleviating dependence on foreign energy sources, the cabinet is squandering its precious vigor on "seeking" oil and gas in well-known places, not even trying to maneuver between the East and the West or the North and the South. It is sad.

What can be said about L. Kuchma's implementation of his electoral commitments, in particular the "restoration of elementary order in the state," when Supreme Council deputies and even the chairman claim that although Kuchma has been elected president other people are using his powers?

Under the circumstances, it is easy to decipher the paradox of why even a politically weak and unstable Russia continues to dictate its will to Ukraine.

All in all, blaming Russia for all our hardships is a fruitless effort. We should calmly realize that Russia is conducting a policy advantageous to itself. This is natural and this is Russia's right. The principal source of Ukrainian hardships lies inside Ukraine, namely

— in the absence of: A strategy and tactics for developing and searching for equal partners; of a specific governmental program for reform; of consolidation of democratic political forces; of elementary order within the state and its bodies of power; of a pricing policy, and the like;

— in the existence of corruption and the mafia; of legal ignorance and economic anarchy; of an army of bureaucrats and the unemployed; of opposition between the [executive and legislative] authorities; of consolidation of antireform forces, and so on, and so forth.

Restoring order in the economic, political, and legal spheres, expediting reform based on a specific program and efficient use of foreign assistance — those seem to be simple ways to resolve our problems. However, where is the "political will for changes," what happened to promises "to do business instead of just talking" so widely advertised in the first half of 1994 during the electoral fight for the Ukrainian president's post?

Many political experts, economists, and observers warn: The credit of confidence in the newly elected central and regional authorities in Ukraine is running out at breakneck speed. President Kuchma had to acknowledge this at an expanded Cabinet of Ministers' session. There are only a couple of months left to move on to specific activities.

Those activities may include:

1. Expedient **passing of a new constitution of Ukraine** by the Constitutional Assembly. The basis for such an assembly exists in the form of the Constitutional Commission. The only thing which has to be done is to reinforce the commission with representatives of the regions.

2. The forming of a **government of national trust** on the basis of accord between the Supreme Council and the president, accompanied by the voluntary rejection of ideological and political fighting by trade unions and political movements for a period of at least one year.

3. The implementation of an open, instead of a concealed, **program for fighting crime and corruption** as one of the priorities in carrying out reform. This would involve cardinal reform of law enforcement bodies and not just a "cosmetic renovation."

4. Expediting **reform of the Army.**

5. The passing of a **law on investment policies** in Ukraine to engage the capital of Ukrainian citizens and foreign partners in the development of industries and agriculture. One should not worry about the danger of "selling out the motherland." Funds invested in Ukraine's economy will not disappear. Plants, factories, housing, highways, ports, and hotels — all those things will remain in Ukraine.

6. The drafting of a **national program for fighting unemployment.**

One could mention other priorities, too. The principal issue is to act on a basis of a specific legible program. The progress of its implementation should be controlled by the state's public opinion and not be transformed into a state secret or a secret of bureaucrats.

Take, for instance, the scandal surrounding the session of the Commission for Fighting Organized Crime and Corruption subordinated to the Ukrainian president, when a group of deputies were not admitted to the session hall. It is interesting to know what kinds of state secrets were discussed at a session attended by 500 people? Two hours later, all the media carried quotes from every report delivered at the "holy supper," spicing them with rumors and the most fantastic outlooks for the future. Perhaps, it would have made more sense to carry a live radio and television relay of the session? It would have been much more advantageous for the state in general and the president in particular. Operational measures are not discussed at such sessions, anyway. Or, perhaps, the latter-day leaders were afraid that the people would hear the names of those criminals who are still holding offices?! Perhaps, this was why the "unruly" deputies were not admitted?

Thus, there exists a whole chain of facts indicating that the people's will has not been done, and their historic choice made in 1991 in favor of a free independent Ukraine has not been met. The people of Ukraine will spend another couple of months assessing the new authorities' words and deeds. If the mark is "unsatisfactory," **new elections might be held much earlier than some people would like.**

It would make sense to complete my meditations with words from the Bible. Everyone probably remembers the phrase from Ecclesiastes 3:5: "A time to scatter stones and a time to gather them." It seems worthwhile to cite verses 5 and 6 in full:

"5. A time to scatter stones and a time to gather them; a time to embrace and a time to refrain.

"6. A time to search and a time to give up; a time to keep and a time to throw away."

Is it really so hard for Ukraine's current rulers to apply these wise words in foreign and domestic policies to those who are acting in favor or against Ukraine's interests?

Moroz, German Official Review Economic Cooperation

LD1005213195 Kiev UNIAR in Ukrainian
1730 GMT 10 May 95

[FBIS Translated Excerpt] Kiev [no dateline as received] — Ukrainian Supreme Council chairman Oleksandr Moroz and Dieter von Wuerzen, state secretary of the German Economic Affairs, discussed during a meeting the most topical aspects of cooperation between the two countries. [passage omitted]

Besides foreign capital, the sides also discussed Ukrainian capital currently kept abroad. In the estimate of German statisticians, noted Mr. Wuerzen, the sum is about $15 billion.

In the opinion of Oleksandr Moroz, about 30 percent of that sum is "criminal capital," and relevant measures will be taken to ensure its return. As for the rest, the only way is to create in Ukraine possibilities for the return of the capital. He believes Ukrainian capital will not return to the country without development of Ukraine's own production. [passage omitted]

Vadym Hetman, head of the Supreme Council subcommission for financial affairs and banking, noted the valuable example of Germany's banking system. According to him the number of correspondent accounts of our banks in Germany is much bigger than in other countries; however, the credit lines are not working very smoothly. Vadym Hetman blamed intermediaries for that and expressed a wish to do without them in the future.

The meeting was held in a businesslike atmosphere. It was not spoiled by the differences Dieter von Wuerzen and Oleksandr Moroz had on privatizing land in Ukraine. According to Moroz, we have a quarter of all land in private ownership as it is. [passage omitted]

Delegates To Take Part in OSCE Debate on Crimea

LD1005213595 Moscow INTERFAX in English
1859 GMT 10 May 95

[FBIS Transcribed Text] KIEV, May 10 (Interfax-Ukraine) — Delegates from the Ukrainian parliament, the presidential administration and government and from the Crimean legislature and government will fly to Zurich from Kiev on Thursday morning for a round-table discussion on the Kiev-Simferopol relationship.

The round table discussion is to be held under the auspices of the United Nations in Locarno on May 14-15. OSCE and High Commissioner for Ethnic Minorities Max van der Stoel has been appointed to chair the round table meeting, the chairman of the Ukrainian parliament's legal polices and judicial and legal reform committee Vladimir Stretovich has said.

The Crimean delegation consists of parliamentary speaker SergeyTsekov and his deputy Vladimir Klychnikov, three members of parliament and Deputy Prime Minister Igor Ivanchenko.

National Affairs

Kuchma Will Hold Referendum on Power

WS1105083495 Lvov INFOBANK in English
0730 GMT 11 May 95

[From the "News Service" feature]

[FBIS Transcribed Text] "It would be good for the reform's sake in Ukraine if the parliamentarians went on a six-month pleasure trip to the Canaries, even at the taxpayer's cost. Different people would greet them back in a different Ukraine," said Mykhaylo Doroshenko, press secretary for the President of Ukraine, at a briefing held by the Presidential Administration on May 10. Mr. Doroshenko stressed that the president was trying "for the last time to find a mutual understanding with the sober-minded MP's" and sign a constitutional agreement on the Law on Power with centrist factions. According to Mr. Doroshenko, if this attempt fails, President Kuchma will have to announce an all-Ukrainian plebiscite on the issue of confidence in the two branches of power. The press secretary told that during President Clinton's visit to Kiev on May 11-12 the two Presidents will hold consultations on the current situation in Ukraine with regard to the separation of powers.

BSF Commander 'Demonstratively' Leaves Parade Early

WS1105101695 Kiev INTELNEWS in English 0145 GMT 11 May 95

["Special to Intelnews" by Lilia Bujurova]

[FBIS Transcribed Text] Sevastopol, May 9 — Black Sea Fleet [BSF] Commander Eduard Baltin demonstratively left the Victory Day parade in Sevastopol after Ukrainian Navy columns appeared on the square to march. He had been supervising the parade from a platform.

"I was very tired," Baltin said, declining to comment further.

Ukrainian Navy Commander Volodymyr Bezkaravainiy said: "It had a political implication, but good manners should be observed in politics as well as in other spheres of social life." Bezkaravainiy said he was disappointed with Baltin but replied, "It was rather good because Baltin freed some room on the platform."

Before the May 9 celebration, BSF commanders issued their statement which said that the Black Sea Fleet "considers the participation of the Ukrainian Navy in the parade immoral because the Ukrainian Navy servicemen betrayed their oath of allegiance."

Sevastopol Mayor Viktor Semienov said Baltin's behavior accounted for tense individual relations between the two commanders. "We cannot let their relations affect the political situation in Sevastopol," the mayor said.

Alexey Kalinin, Cities-Heroes Union chair and a former Black Sea Fleet commander, was outraged with Baltin's action. "The celebration meant to unite people," he said. "We do not want opposition."

Poll: Crimean Residents See Crime Threat

LD1005194295 Moscow INTERFAX in English 1654 GMT 10 May 95

[FBIS Transcribed Text] SIMFEROPOL, May 10 (Interfax) — About a half of Crimean residents (48%) said they believed that a "complicated criminal situation" representing a real threat to the people's lives had emerged on the peninsula, revealed a poll conducted by the independent Crimean Center of Humanitarian Research.

The poll involved 1,460 respondents.

The poll showed that 46 percent of Crimean residents considered the situation in Crimea as "intolerable" and compared it to "criminal terror."

Only 4 percent of respondents said that the situation was "alarming but controlled by the law enforcement." A total of 1 percent of respondents said that the situation was "normal" and that they did not feel any threats.

Another 1 percent of respondents said they did not care about the criminal situation in Crimea.

About a half of respondents (51%) said they thought that the main reason for the crime growing was struggle between criminal groupings for spheres of influence. A total of 40 percent of respondents blamed the criminal situation on corrupted local authorities and 30 percent on the passivity of the law enforcement.

When asked, "Which measures could reduce crime?" a total of 52 percent of Crimeans said they were in favor of introducing emergency measures, such as execution on the spot of those caught red-handed on the scene of the crime, 47 percent in favor of toughening criminal legislation. A total of 38 percent of respondents spoke in favor of reforming the law enforcement and 36 percent in favor of dismissing the Crimean present leaders.

Crimea SUPSOV Constitution Day Address

954F2249A Simferopol KRYMSKIYE IZVESTIYA in Russian 6 May 95 p 1

[Declaration by Supreme Council of Crimea: "To the Citizens of the Republic of Crimea"]

[FBIS Translated Text] The 6th of May is Constitution Day—a state holiday of the Republic of Crimea.

This is the third anniversary of our Constitution, which consolidates for the people of Crimea the right to live in a rule-of-law, democratic state with the beautiful name of Republic of Crimea.

The bearer of sovereignty and the only source of state authority—according to the Constitution—are the people of all nationalities who are the citizens of the Republic of Crimea.

The territory of the Republic of Crimea is inviolable and cannot be changed without its concurrence.

The minerals, the waters, the forests, the fauna and flora, the air space, and the recreational and other natural resources within the boundaries of the territory and the continental shelf of the republic are the property of the people of Crimea.

Russian is the official and business language. The Crimean Tatar, Russian, and Ukrainian languages are state languages in the Republic of Crimea.

The Constitution, which was subjected to revision on 25 September 1992 under pressure from Kiev, secured all of these rights for Crimeans. The people of Crimea on 27 March 1994 confirmed their adherence to the first wording—of 6 May—and the deputies of the Supreme Council of Crimea returned to the people of Crimea the Constitution that was discussed nationwide and approved according to the results of a poll of the population.

The attempts of the Kiev leaders once again to deform our Constitution with the hands of Crimean deputies was not crowned with success.

On 17 March they abrogated the Basic Law of the Crimeans, demanding from the deputies of the Supreme Council of Crimea to prepare by 15 May 1995 a Constitution suitable to Kiev. The Supreme Council of Crimea passed a resolution on the conduct of a national Crimean referendum regarding ratification of the Constitution.

It is necessary to restore historic justice, to return to the people of Crimea its Basic Law, and to ensure the legal opportunity to build statehood in Crimea on the basis that was decisively approved by a majority of the inhabitants of the peninsula.

The 6th of May is Constitution Day—our state holiday. That Constitution that was not mutilated, deformed, and emasculated to suit the foes of Crimean statehood.

We are celebrating this day with the confidence that the Constitution of the Republic of Crimea will be restored.

We want your conscious approval of a national referendum on a Constitution by which you and your children will live.

We wish you strength of mind and optimism!

[Signed] Supreme Council of Crimea.
City of Simferopol
4 May 1995
No. 31-1 VS [Supreme Council]

Economic Issues

Kuchma Seeks Non-Inflationary Increase in Wages

LD1005203595 Moscow INTERFAX in English 1945 GMT 10 May 95

[FBIS Transcribed Text] Kiev, May 10 (INTERFAX-UKRAINE) — Ukrainian President Leonid Kuchma called for an accelerated increase of wages. He told a conference in his Kiev office Wednesday [10 May] that this policy will not be inflationary. On the other hand, Kuchma said, higher wages will increase the consumer demand and the revenue and reduce the social tension. "We should be unanimous in carrying out this policy," he added.

The correction of economic reforms started in April, Kuchma said, is a policy line that I will tenaciously implement.

Kuchma said that the monetary stabilization brought inflation down to 5.8 percent a month while the karbovanets exchange rate is nearly 30 percent above the forecast value.

He argued, however, that the monetary stabilization in itself is not all-important economically. In Kuchma's view, the monetary policy carried out now is not optimal. He admitted that "we did not succeed in changing a tight monetary policy to one designed to overcome the non-payment crisis, encourage solvent demand and increase production."

In Kuchma's words, the production stabilization failed in the first quarter of the year because a new decline was recorded in April. Products worth 190 trillion karbovantsi got stuck in the stores of factories at the end of April, he said.

Kuchma believed that the economy is likely to experience another fall of production and failure of stabilization, in particular in the monetary field.

One of the reasons why there is no consistent economic policy is the continuing uncertainty with the government, Kuchma said.

He emphasized that the deadlines of and guidelines for a monetary reforms are up to the executive authority. Kuchma recalled that a state commission on the monetary reform had been set up by his decree. In his words, the commission had not gotten together or discussed issues in the monetary reform lately. This was Kuchma's comment on a statement made by Viktor Yushchenko, chairman of the National Bank of Ukraine's board, at a news conference last week to the effect that a monetary reform is likely to be carried out shortly.

Deputies Adopt 1995 Kharkov Oblast Budget

WS1005140095 Kharkov SLOBIDSKYY KRAY in Ukrainian 29 Apr 95 p 1

[Report by M. Khablak and M. Taranenko: "Budget for Survival"]

[FBIS Translated Text] The most critical issue of our life — a draft 1995 budget — was submitted for discussion by the Kharkov Oblast Council at its fourth session on 27 April. Oblast Financial Office Chairman K. Kozyrenko stated in his report that the current budget was drafted with the most active participation of deputies, representatives of local councils, and society. Thanks to joint efforts, it was possible to secure the highest deductions to the oblast budget from the total amount of state taxes and also from fees collected in the oblast. Even though this draft budget meets only slightly more than 50 percent of our needs in all areas of our life, it is the best one, given a sharp decrease in production and the drop in budget revenues.

In general, it was proposed that budget revenues and expenditures of all councils in our oblast amount to 56.272 trillion karbovantsi [K], including K21.92 trillion for the oblast council budget.

The greatest amount — over K3 trillion — will be allocated toward the social protection of the people: Relief to families with children, additional welfare to people to cover expenditures for housing and municipal services, and subsidies for ailing children and to buy fuel. The amount of K4.69 trillion will be allocated to finance education, culture, health protection, and physical culture. At the same time, a small amount — only K3 trillion — will be invested in the national economy. Subsidies to 29 towns and rayons of the oblast, budget revenues of which do not meet their needs, will stand at over K7.2 trillion.

V. Potapov, head of the standing commission for planning, budget, and finances, who delivered a report at the session, stated that quite a lot of proposals to subsidize various needs had been submitted, but due to limited funds many requests were turned down. Within the limits of the possible, however, most local council proposals were taken into consideration.

V. Potapov paid particular attention to fulfilling the budget clause on revenues, because, when our economy begins to take off, there will be revenues for the budget. Virtually all budget revenues now come from industrial enterprises. It is necessary to provide conditions so that no commercial or other company remains outside the budget-forming process.

Deputies, who participated in the discussion, emphasized the lack of funds for various needs. At the same time, deputies agreed that under current conditions the draft budget is the best one and it must be approved.

When Oblast Council Chairman O. Maselskyy summed up the results of the discussion, he stressed that a proposal to oversee the implementation of the budget program on a permanent basis is useful and it must be passed, because the spending of each kopeck must trigger maximum profits and be made public. Regarding the program for the development of the oblast's economy, the oblast council chairman said that it is difficult to draft such a program out of touch with the national economy in general. We, however, work in this area as well. We put forward and are currently implementing measures to renew the management of the oblast economy; we are also drafting programs for the structural reconstruction of the economy.

Deputies approved the draft 1995 budget and a report on the accomplishment of the 1993-94 budgets.

Later, H. Malyuk, oblast council deputy chairman for executive issues, delivered a report "On Measures To Prepare and Secure the Work of the Oblast National Economic Complex in 1995-96." He emphasized that such measures were adopted earlier as oblast executive council decisions, but to enhance their importance — to involve as many people as possible in the work — it was decided to submit them for discussion at the oblast council session. Draft measures focus particularly on operating the power sector as the basis of our life. I imply the creation of energy reserves in a timely fashion, as well as repair work and preparation of power sector enterprises and power systems for the winter.

Thanks to the development of new gas deposits by our oblast enterprises, it was possible to provide an additional 1.5 million cubic meters of gas daily. This work should be continued and an opportunity to extract brown coal for people's needs should also be studied.

Deputies's attitude toward the drafted measures were equivocal. A few deputies rejected them, because they believed that the executive bodies of power were in charge of them. In addition, as V. Romanenko stressed, they do not encompass the most important areas of the agricultural sector; besides, it was not specified from where the needed funds could be taken. Other deputies, however, supported the draft measures, which were finally adopted with amendments.

After a break, deputies focused their attention on the 1995 program for privatization of oblast council municipal property, which was shifted from the previous session of the oblast council. Even though L. Alekseyeva, Oblast Municipal Property Fund chairman, who delivered a report on the subject, was not kept on the rostrum for a long time, it became obvious — after Deputy V. Khristoforov, chairman of a temporary watchdog commission for issues of oblast municipal property, delivered an additional report — that the upcoming discussion will not be peaceful.

This discussion will not be tranquil, even though a temporary watchdog commission made everything possible to consider — to a maximum degree — remarks and proposals, put forward by local bodies of power and labor collectives of enterprises that are subject to privatization, and came up with three dozen changes and amendments to the 1995 draft program for privatization of municipal property, which were discussed and approved by eight out of 10 oblast council commissions of deputies. Out of 147 enterprises, meant for privatization, the watchdog commission left 130 businesses that did not trigger any doubts; the commission also deemed as inexpedient the putting of 70 pharmacies and 23 printing houses of the oblast on the list of enterprises meant for urgent privatization.

Pointed debates at the session, provoked by the time factor as well as by other subjective factors, at the time even threatened to further postpone the draft program for privatization. In addition, most debates unfolded when privatization of agrotechnical service and motor transport enterprises was discussed. The absence of an efficient property management and of activities of privatized enterprises put a few deputies on guard. However, relevant reports by Deputies E. Kushnarev, V. Potapov, A. Voloka, and other deputies, who appealed to find a common language — not, however, to sharpen disagreements — recalled the fact that current legislation must be fulfilled. Labor collectives of enterprises, subject to privatization, could, however, become the first victims of the delayed adoption of the privatization program and of deputies' preposterousness. Doubts and delays can impede voucher privatization through the establishment of open joint-stock partnerships.

Some 90 minutes of pointed debates were needed to finally pass the draft program, with 47 deputies voting in favor in a roll-call vote.

Practically at the same time, deputies supported a proposal to regard hospital and inter-hospital pharmacies, located in medical establishments, as municipal property of oblast rayons and cities. Deputies voted in favor of regarding the Kharkov Research Factory — formerly managed by an office of the now-abolished State Committee for Material Resources — as oblast municipal property.

At the same time, after hearing the "On Issuing Approval for Instituting Criminal Proceedings Against S. Tsimbalov, Pervomayskiy City Council People's Deputy" motion issued by the oblast prosecutor, oblast council deputies decided to not hurry — until the issue is studied further — and therefore did not support the draft motion during the voting.

Deputies voted in favor of suspending the mandate of Balakleya Rayon Judge L. Shekhovtseva in connection with her leaving for permanent residence abroad. In addition, deputies adopted changes in the membership of the commission for issues of reinstating rights to the rehabilitated.

Belarus

Lukashenka Meets Russian Delegation, Urges Unification

WS1005092395 Minsk RESPUBLIKA in Russian 6 May 95 p 3

[Report by L. Peresypkina: "A. Lukashenka: 'Belarusian and Russian People Are Ready To Unite. It Is the Politicians' Turn Now'" — first paragraph is RESPUBLIKA introduction]

[FBIS Translated Text] Belarusian President Alyaksandr Lukashenka presented his principal views on mutual relations between Belarus and Russia at a meeting — held on 4 May — with a delegation of the Russian Federation which arrived in Minsk to participate in the international scientific and practical conference "Victory Over Fascism and the Future of Civilization." The meeting was also attended by representatives of the media.

Valentina Tereshkova, the first female cosmonaut and a Hero of the Soviet Union, headed the group of visitors composed of well-known military leaders, historians, and our compatriot pilot-cosmonaut Petr Klimuk, chief of the Center for Training Cosmonauts and twice Hero of the Soviet Union.

According to Alyaksandr Lukashenka, the old and new generations of Russian politicians are striving to eliminate confrontation; secular and church authorities of the neighboring state live in accord. Lukashenka is convinced that our nations are anticipating unification. In his opinion, it is now the turn of the politicians, who sooner or later will be forced by their nations to unify. It is better to implement it sooner, given that the time factor is crucial for the future of both sovereign countries — Belarus and Russia, just as for third Slavic nation — the Ukrainians, who would like to restore disrupted economic and fraternal ties. Lukashenka is convinced that such ties, as well as the abolition of borders, customs duties, and customhouses, will guarantee the appropriate functioning of the economies of the three neighboring countries.

President Lukashenka announced that Belarus had already made the first step. Belarus has removed customs barriers with Russia on railroads and air transport. Lukashenka pointed out, however, that having learned a bitter lesson when the mutual decision to unify the monetary systems and other decisions were not implemented, under the conditions of the nation's pauperization, the Republic's leadership has an alternative plan for economic cooperation with the West. Such a reorientation of the Belarusian economy will not, however, produce benefits for either Belarus or Russia: The industries and consumption of our countries are very closely connected. Alyaksandr Lukashenka said that "the way of agreements with fraternal Russia will be followed by us honorably and to the end."

The international scientific practical conference "Victory Over Fascism and Future of Civilization" organized by the Belarusian Scientific-Technological Institute of Information and Forecasts was opened in the National Press Center at midday on 4 May.

Lukashenka Asks Poland Not To Rush Into NATO

LD1005191695 Minsk Radio Minsk Network in Belarusian 1600 GMT 10 May 95

[FBIS Translated Text] Belarusian Alyaksandr Lukashenka returned from Moscow today, where he had been taking part in functions commemorating the 50th anniversary of the great victory. Lukashenka's work schedule in Moscow was very full. In particular, he had a meeting in his residence with Polish Prime Minister Jozef Oleksy. At a news conference for journalists following the meeting, the Belarusian president said:

[Begin Lukashenka recording, in Russian] Our neighbors are the priority in the foreign policy of the Republic of Belarus, i.e. the Baltic countries, Poland, Ukraine, and Russia. The cornerstone of our foreign policy is a policy of two wings. We are located at the center of Europe, just like Poland. We would like to have good relations both with the states of the West and the East. This is our policy of two wings, and we will maintain it.

There is no other way. We do not intend to join any blocs. We do not intend to fight anyone. You know that one in three people in Belarus died in the last war. We do not need any war, and we are very alarmed by certain trends, including in the West.

You know my attitude toward NATO. I frankly told the prime minister that I do not support the policy of certain leaders of Poland on immediately joining NATO. To where are we hurrying? It is a lengthy process. There is no need to hurry. If, as I am told, Poland wants to be a member of NATO today to ensure its security, let us go gently. For God's sake, this issue is Poland's internal affair. I would like the Polish president to take into account the facts of life and understand that the friendly country of Belarus is next to Poland. Those processes that are taking place in our country should be taken into account in Poland.

The prime minister and I discussed this difficult question, and I once again confirmed my position. This does not mean that we are interfering in Poland's internal affairs. God forbid. This is Poland's business. It is up to Poland to determine its policy [words indistinct]. [end recording]

Opposition Deems Referendum 'Deception of People'

WS1105093695 Minsk BELAPAN in English 0726 GMT 11 May 95

[FBIS Transcribed Text] "The referendum is the deception of the people", a statement which has been made by the Belarusian Popular Front [BPF] Council reads. In the statement it is also pointed out that the May 14 national referendum is necessary for President Alyaksandr Lukashenka in order "to strengthen the regime of his personal authority and draw away people's attention from the complete collapse in the economy". The members of the BPF Council hold that the question on economic integration with Russia, which is put to the referendum, is an attempt to liquidate the Republic's independence. In their opinion, this integration should be regarded as the union of the Russian and Belarusian Mafia to fleece the Belarusian people. The BPF Council considers the putting of questions of state languages and symbols to the referendum to be immoral. It is asserted that the change of state symbols will undermine the international prestige of Belarus. In addition, it will cost 900 billion rubles.

Opposition Demands Air Time on Referendum Eve

WS1105094695 Minsk BELAPAN in English 0726 GMT 11 May 95

[FBIS Transcribed Text] A group of members of the Belarusian Popular Front [BPF] parliamentary faction, headed by the BPF chairman Zyanon Paznyak has demanded that the National Television and Radio Broadcasting Company give the opposition 45 minutes of live broadcasting on Saturday, May 13 1995, after 9 pm. The opposition insists on its appearance on TV as this is stipulated by the law on elections and referendums. It is also pointed out that it is now several months since the BPF and its representatives in the Supreme Soviet were deprived of the opportunity to appeal to the public through the state mass media, make public its preelection programme, express its attitude towards the questions put to the referendum, and refute misinformation which is being spread by the official press about the BPF.

Kazakhstan

Withdrawal of Nuclear Warheads Completed

MM1105083995 Moscow NTV Television in Russian 1800 GMT 25 Apr 95

[From the "Segodnya" program: Announcer-read report over video of SS-18 missile; figures in brackets denote broadcast time in GMT in hours, minutes, and seconds]

[FBIS Translated Text] [Announcer Mikhail Osokin] The Russian Strategic Missile Forces Press Center announced today the completion of the withdrawal of nuclear warheads from Kazakhstan. After the disintegration of the USSR, 104 RS-20 [SS-18] missiles, known in the West as "Satan", remained on the territory of Kazakhstan. All these missiles have now been moved to Russia in accordance with international agreements under which Kazakhstan, Belarus, and Ukraine pledged to eliminate the nuclear weapons remaining on their territory. The official announcement was made in the best traditions of military secrecy. A Ministry of Defense spokesman announced today that the last warhead was removed from Kazakhstan yesterday.

Nazarbayev Marks VE Day in Almaty Speeches

LD1005204795 Moscow INTERFAX in English 1712 GMT 10 May 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] Kazakhstan will seek to prevent any reversal to totalitarian rule and do all it can to rule out wars on the planet, President Nursultan Nazarbayev said in Almaty on Tuesday [9 May].

At a jubilee meeting to mark 50 years since the end of the Second World War in Europe, he said "strictly speaking, the war in Europe has not ended even after Soviet pullout from Eastern Europe because neither side equally responsible for triggering cold war has openly repented".

Nazarbayev spoke of collective responsibility before deported peoples and hundreds of thousands of GULAG inmates.

He said Kazakhstan was sorry about what happened and stretching out a friendly hand to all states ready for an open and honest dialogue. On his meetings with other world leaders during May 9 ceremonies in London, Paris and Moscow, the Kazakh leader said his own feeling was that many are now ready to invest into the country's economy after a recent referendum extending his mandate until the year 2000.

In a speech before a military parade in central Almaty on Tuesday, Nazarbayev congratulated the nation on 50 years since VE-Day and spoke of a decisive contribution to the victory over Nazi Germany made by the former Soviet Union and Soviet Army. "Peoples' friendship and fraternity won", he said.

The Kazakh leader warned against chauvinism and nationalism, fascism and anti-Semitism. And he called for integration and friendship with all CIS states.

Embassy Counsellor: Russian Exodus Continues

LD1005215595 Moscow Mayak Radio Network in Russian 1420 GMT 10 May 95

[FBIS Translated Text] In connection with the continuing exodus of the Russian population from Kazakhstan, correspondent Viktor Glukhovtsev interviewed Aleksey Andreyevich Sazonov, counsellor at the Russian Embassy in Kazakhstan, who admitted that neither Russia nor Kazakhstan had been prepared for this and that political decisions are evidently unable to reduce this flow. Russia is interested in Kazakhstan's citizens remaining in their homes in Kazakhstan and continuing living there. It is looking for ways to facilitate the integration of the Russophone population and make life easier there. There is a an aid program for compatriots in countries of the near-abroad. It includes political measures and diplomatic and economic support for Russian business in Kazakhstan and a certain cultural support in setting up cultural centers there. Sazonov said that people decide to leave for socio-economic reasons. People do not leave to be reunited with their families or just to return to their historic homeland. Everything together, which might be described as socio-economic reasons, is the cause of the exodus.

Police Net Almost 4,000 Guns in Crime War

LD1005182195 Almaty Kazakh Television First Program Network in Russian 1400 GMT 10 May 95

[FBIS Translated Text] As the KAZAKHSTAN TODAY news agency reports, quoting a source at the prosecutor general's office, since the decree issued by the president on pardoning those who voluntarily hand in their guns came into force, more than 800 cases of civil obedience have been registered in Almaty. In recent days the law enforcement agencies' arsenal has been substantially augmented by various types of guns, including PPSH submachine guns produced in 1942 and simple explosives.

In addition, law enforcement agencies have themselves seized more than 3,000 guns in the course of the law and order operation. In the main these are smooth-bore shotguns, which, as First Deputy Prosecutor General

Anatoliy Konstantinov has said, are to be handed out to herdsmen free of charge.

Former Government Officials Under Arrest

954F2257A Moscow TRUD in Russian 25 Apr 95 p 3

[Report by Oleg Kvyatkovskiy: "Kazakhstan: Under the Sign of a Clean-Up"]

[FBIS Translated Text] For several days in row now, some famous people, who just yesterday held key positions in the republic, are being "closed for business."

First, M. Tatayev, deputy head of the East Kazakhstan Oblast administration, was arrested in Ust-Kamenogorsk. He is charged with abuse of official position; investigation is under way in the role of Tatayev, who supervised finance and trade, in the illegal issuance of a state credit from the oblast's nonbudget fund in the amount of $500,000. Next, G. Baynazarov, former chairman of the board of the republic's National Bank, whose signature adorns all national currency bills issued in 1993, was arrested. Arrested at the same time were several staff members of the Main Administration for Combating Organized Crime and Corruption of the Kazakhstani MVD [Ministry of Internal Affairs], as well as several customs committee officers and the former chief of the republic's transportation police.

But even this is not all. An active investigation is under way in several cases simultaneously involving former members of the recently disbanded parliament. And S. Abdildin, the speaker of the previous parliament, which "self-disbanded" slightly more than a year ago, is already giving explanations to the procuracy on charges of abuse of official position. It would be fitting to point out at this point that Serikbolsyn Abdildin was considered lately one of the leaders of President N. Nazarbayev's opposition and made quite "irreconcilable" statements in the press.

Kazakhstani law enforcement bodies are so far refraining from any comment. But apparently this is only the beginning of a large-scale, thorough "clean-up on all floors."

Law and Order Campaign Results Announced

954F2247A Almaty PANORAMA in Russian 6 May 95 No 18, pp 1-2

[Report by Gulmira Arbabayeva: "No Reports on a Violation of Referendum Procedure Received"]

[FBIS Translated Text] On Thursday, 4 May, the procurator general and MVD leadership deputies held a joint news conference on the first results of Operation Law and Order, which began on 14 March.

"This activity continues, inasmuch as the main mission is to bring order to bear in our state. And we would like to convey to journalists certain results of this work," was how Anatoliy Konstantinov, first deputy procurator general, began the news conference. "The decree of the president of the Republic of Kazakhstan on an intensification of the fight against crime has revitalized considerably the work of the law enforcement authorities on uncovering and investigating crimes in the economic sphere," he continued.

According to him, the detection of economic crimes in the republic in four months of the current year is up 10 percent. This includes a 40 percent increase over the analogous period of last year in the detection of embezzlement on a particularly large scale and abuse of office.

Speaking of the economic aspects of the fight against infractions of the law, such a figure as compensation for loss and the collection of various treasury payments: taxes and fees and charges, should be mentioned also. In four months of the current year, more than 1 billion tenge were collected in this way on the initiative of the Public Procurator's Office. If this figure is compared with the loss compensated in 1994, it proves to be approximately three times as high.

"An innovation in the fight against crime introduced by the presidential edict is the fight against criminal groups and criminal societies," Mr. Konstantinov specified. "Article 63-2 has been introduced to the Criminal Code. The activity of the law enforcement authorities in the period that the measures have been implemented has been concentrated on the detection, exposure, and curtailment of the activity of such criminal groups. The statistics in respect to the newly introduced article will appear thus. Criminal groups are operating and being exposed in each oblast. These criminal groups are well organized and conceal their activity; it was more often than not the perpetrators themselves who would be caught, and before this article took effect, the organizers usually managed to avoid criminal liability. And results of the application of Article 63-2 are already to hand. Fifteen criminal communities and groups have in the period of implementation of the Law and Order measure in the republic been exposed and arraigned on criminal charges (1-2 cases per oblast)."

To mention specific examples, participants in a criminal group that had been operating in Aktyubinsk since October 1994 were caught red-handed and arrested on 11 April 1995 in the extortion of $3,000 from Mr. Yagunovskiy. The criminal group had been organized by a small business employee, and in the period 1994 through April 1995 it systematically extorted personal property from citizens. The results of the operational-investigation measures made it possible to expose and arrest the group.

As far as the extortion statistics themselves are concerned, 167 instances have been uncovered in the republic. Criminal proceedings have been instituted against the guilty parties. Criminal proceedings have also been instituted in four instances of gangsterism. Mr. Konstantinov announced that 16 cases of smuggling that had been recorded in the Law and Order period had been investigated. It was ascertained also from what he said that there had been an increase in the number of instances of arraignment on criminal charges for illegal currency transactions—27.

Mr. Konstantinov declared also that order needs to be brought to bear in the state with the help of bureaucrats and officials—71 instances of bribery had been recorded in the republic.

An amendment to Article 45-4 of the Criminal Code has been introduced for the purpose of exposing the crimes of officials. The essence of it is that persons who have committed minor offenses may be released from criminal liability. According to the results of checks conducted by the Public Procurator's Office, 43 instances of large-scale embezzlement were revealed and 20 instances of bribery and 41 instances of abuse of office were uncovered.

Concluding the news conference, the deputy prosecutor general called journalists' attention to the referendum procedure.

"It should be said that the authorities have received no petitions or reports concerning flagrant violations of legislation governing the referendum procedure. The most prevalent infractions were voters' attempts at personation. This was observed in Atyrau, Zhezkazgan, and Pavlodar Oblasts."

Problem Committee Officer on Atomic Energy

954F2246A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 6 May 95 p 5

[Interview with Zhenis Sadykov, chairman of the Nevada-Semipalatinsk MAD "Radiation. Environment. Health" Problem-Solving Scientific Committee, by Natalya Verzhbitskaya; place and date not given: "Nuclear Energy in Kazakhstan: For and Against"]

[FBIS Translated Text] The development of nuclear energy in Kazakhstan is an object of study of many scientists. We asked Zhenis Aytmukanovich Sadykov, chairman of the Nevada-Semipalatinsk MAD "Radiation. Environment. Health" Problem-Solving Scientific Committee, to share his opinion on this painful issue.

[Verzhbitskaya] Zhenis Aytmukanovich, may atomic energy be considered a promising way of obtaining energy in Kazakhstan?

[Sadykov] Our republic has, experts estimate, 40 percent of the world's uranium ore reserves. In addition, the use of coal and oil to obtain light and heat is environmentally harmful and too expensive also. This is possibly so. But are we today ready to ensure safety in the construction of new nuclear plants? Are we capable of protecting the populace and the natural environment in the event of natural disasters and unforeseen military conflicts?

The supporters of the construction of nuclear power plants adduce the following arguments: France and Japan obtain 80 percent of their electric power from their power plants [as published]. But these countries simply have no other sources of energy. They lack coal and wind power, nor do they have the areas for obtaining solar power. In addition, France is erecting a new generation of nuclear power plants. We, however, are about to install plants of the Chernobyl Nuclear Power Plant type, nicknamed "Aleksandrov boilers" (Academician Aleksandrov is their designer) by the people. Their imperfections are known to all. Western power stations have a comprehensive system of protection. Provision is made for the least nuances, up to and including an accidental airplane crash in the vicinity of the nuclear plant: There is a special shield-roof which would prevent an explosive situation.

Burial of the nuclear waste is another question. Spent nuclear fuel has to be taken out somewhere after five-10 years. In order to bury the dangerous radioactive waste, France is purchasing land in southern African countries and paying them a colossal amount of money. France can afford to do so—it is a rich country.

What would happen here? We do not have to go far for an example. Take the Ulbinskiy Uranium Plant. Radioactive nuclear pellets are produced here for the nuclear power plants. The waste, however, is stored in the center of the city. Some 100,000 tonnes of radioactive waste has accumulated at this time, and two artificial radioactive lakes have arisen. Moreover, their security is inadequate. Children have bathed in these lakes, and local inhabitants have used jars in which radioactive substances were stored for household purposes— they have used them to pickle cucumbers and cabbage....

At the demand of the East Kazakhstan branch of the Nevada-Semipalatinsk MAD, the inhabitants of the village of Primykaniye or Protection-2, which is in the vicinity of the radioactive dump, were moved further out.

Those who are advocating the development of nuclear power cannot fail to know that funds tens of times more than the cost of the construction of the nuclear facilities themselves are needed for the burial of the radioactive waste. Do we have such funds?

Today all the countries which the former Union supplied with nuclear fuel are endeavoring in every possible way to rid themselves of the dangerous radioactive waste. Bulgaria and Czechoslovakia have dismantled their nuclear plants. The issue is being put very bluntly: You supplied it, you take it away. Becoming the world's radioactive dump threatens to be Kazakhstan's fate.

A burial site for waste on the territory of Kurchatov has already been prepared. This is not being advertised. More than just waste in ampule form could reach Kurchatov. It cannot be ruled out that Russia's military-industrial complex, having received a large amount of hard currency from foreign countries and having shared some portion of it with Kazakhstan, might have an interest in transferring radioactive waste to us. What measures need to be adopted? All railroad trains and other types of transport arriving at Kurchatov and Semipalatinsk Oblast exit and entry areas must undergo radiological inspection.

[Verzhbitskaya] Is there an alternative to the development of nuclear power in our republic?

[Sadykov] Kazakhstan is commanded by God himself and nature to use wind power. Particularly in Semipalatinsk Oblast, an environmental disaster zone. There is a towering mountain range on the border of Semipalatinsk Oblast and China in which there is the so-called Dzungarian Gate. M. Inyushin, an energy specialist who is well known here, once proposed the installation in the path of powerful wind streams of wind-power units. In terms of wind-power reserves Kazakhstan could generate 3 billion kwh of energy. That is, make good the current 10-15 percent shortfall in energy which our republic obtains from Kyrgyzstan. The building of such "windmills" would make good this shortfall in full. In addition, they are far cheaper than nuclear power plants and are environmentally safe. There is in Karaganda the sole firm in the entire Kazakhstan—Central Asia—Far East—Siberia region which itself designs and manufactures wind-power units. Its manager, B. Mariushkin, is trying his utmost to introduce in practice the use of wind-power units and is knocking on all doors of the offices of the Ministry of Energy, but is simply not meeting with mutual understanding and support.

If we are speaking of East Kazakhstan, Almaty, and Taldykorgan Oblasts and Semirechye, use of the energy of the small mountain rivers is perfectly possible there. Mini-hydropower stations there would make it possible to obtain cheap types of energy. Without damaging the rivers here—they are unnavigable and lacking in fish. Mountainous Kyrgyzstan, for example, sells electric power obtained from such hydropower stations.

In the southern region there is an abundance of solar energy. Kzyl-Orda Oblast is experiencing a shortage of coal and is importing it from Karaganda Oblast. Whereas neighboring Uzbekistan, which shares with Kzyl-Orda Oblast the Karakum and Kzylkum deserts, uses them to obtain solar energy. Solar batteries may be seen on the roofs of many homes in Uzbekistan; they heat these homes.

It would at this stage be more judicious to use these types of energy. And for the state to allocate the funds for their development.

As far as the uranium is concerned, it could be sold to other countries. The money from the sale could be allocated for the recuperation of the territories that have already been contaminated, the rehabilitation of the people who have suffered, and the elimination of the consequences of the injudicious use of nuclear power.

[Verzhbitskaya] Nuclear power should not be developed in Kazakhstan today, then, in your view?

[Sadykov] How we are developing and intend to develop it—this way will lead to environmental catastrophe. Although there are also promising directions, which I support, like, for example, the creation of engines with nuclear fuel for the exploration of outer space.

The efforts of the nuclear scientists and their knowledge and experience should be channeled into the assurance of safety at the nuclear plants that are already operating and into radiation and environmental studies for the compilation of radiological charts of Kazakhstan.

An alarming situation has arisen in Aktau, where a nuclear-powered water-distilling plant is located. Owing to the lack of support, many specialists are now leaving for Russia. The power station is already at the end of its service life, and its urgent modernization is essential. Otherwise, the city will be without water or there could be a nuclear explosion similar to Chernobyl.

[Verzhbitskaya] How do you view the idea of the creation of a data bank for the various regions with nuclear industry facilities?

[Sadykov] Such a data bank on the environmental and radiation situation in Kazakhstan is essential. While conducting environmental studies, many enterprises are not exchanging them with other interested parties in the Republic of Kazakhstan. As a result, some scientific studies are being duplicated.

Having created a national data bank, we would gain access to the information we need and would at the same time make it confidential for others. The data could be sold by a special commission made up of government persons and representatives of nongovernment organizations. It is essential to allocate the dividends in hard currency for implementation of the law of the Republic of Kazakhstan "On Social Protection of the Casualties of the Nuclear Testing at the Semipalatinsk Nuclear Test Range" and for the environmental and socioeconomic rehabilitation of these regions.

Kyrgyzstan

Victory Day Military Parade Held in Bishkek

LD0905180695 Bishkek Kyrgyz Television Network in Russian 1430 GMT 9 May 95

[FBIS Translated Excerpt] Today is the great holiday of Victory in Europe. Celebrations devoted to Victory Day have been held in every town, village, and district.

A military parade in honor of the 50th anniversary of the great victory over fascism was also held in Kyrgyzstan, in the central Ala Too Square [in Bishkek].

Prime Minister Abbas Dzhumagulov, Almanbet Matubraimov and Mukar Cholponbayev, speakers of both chambers of parliament, Dzhumabek Ibraimov, state secretary of the presidential administration, Deputy Prime Minister Osmon Ibraimov, government members, and the honored guests of the republic came to greet the Great Patriotic War veterans on what is a great day for all who live in Kyrgyzstan and for the guests of Bishkek.

Major General Chumoyev [as heard] commanded the parade. Lieutenant General Murzakan Subanov, minister of defense of the Republic of Kyrgyzstan, took the salute. [passage omitted]

Every military division, the Air Force of Kyrgyzstan and, certainly, the veterans who went from the Brest Fortress as far as the capture of Berlin participated in the parade. [passage omitted]

Official Explains Legal Writ Against Newspaper

LD1005170095 Osh EKHO OSHA in Russian 29 May 95 p 2

["Let Words Burn Freely, But Not Burn Through" — EKHO OSHA headline]

[FBIS Translated Text] At a recently regional conference, the discussion got onto the subject of inculcating legal awareness in the population, and accusations were made against the regional justice department. Reference was made to the lawyers both in the official report and in responses from the audience.

So here is a question put point blank to Tursunay Babadzhanovna Aytmatova, head of the regional justice department. How can we increase legal awareness among people?

[Unidentified correspondent] Tursunay Babadzhanovna, let's start with the accusation made against you in a note submitted by a member of the audience. Why, our colleague [OSH TIMES chief editor] Dzhambylbek Kamchiyev asks, is the regional justice department acting in a willful manner and trying to close the newspaper OSH TIMES down?

[Aytmatova] This is just another illustration of the legal awareness issue. Who should be aware of and respect the law more than representatives of the media? It is in vain that your colleague passes himself off as something of a victim. We have warned him repeatedly that his newspaper is breaking its own statutes, and consequently the law. It has been of no use.

We have been forced to go to court with a writ to halt publication of the newspaper OSH TIMES.

[Correspondent] So what is the problem?

[Aytmatova] Here is a little of the history. Under the Media Law of the Kyrgyz Republic, the Osh regional justice department registered the statutes of a private newspaper named OSH TIMES belonging to Citizen Kamchiyev on 8 September 1994. Let's skip the details and note only that the word "sex" was a stumbling block to registering the newspaper. Given the mentality of the people, we did not want to allow the propagation of unbridled sex and pornography. The founder agreed with this.

But from the very first issue, he began to break the newspaper's statutes and the media laws. Here are some examples. The date when a given issue was published is not stated in the newspaper. When it was registered, the newspaper was proposed and recorded under the title of OSH TIMES, but is issued as OSH TIMES-OSHINGTON TIMES-OSHTON TIMES. Contrary to the newspaper's statutes, most issues have been devoted to sex. Supplement No.1 to Issue 6 of the newspaper was almost entirely devoted to pornography. We have given two verbal warnings and one written warning on the need to observe the statutes and laws.

Issue 4 of the newspaper contained an appeal which gives rise to ethnic hostility. Yet the propaganda of ethnic and religious exclusivity is banned here. The propaganda of violence, brutality, and intolerance toward other peoples and ethnic groups is not allowed.

In addition to all this, the founder became the newspaper's editor of the newspaper from Issue 6 onwards, in contravention of its statutes.

On the basis of the above, and guided by Article 8 of the Media Law of the Kyrgyz Republic, the justice department went to court with a writ to have the newspaper closed.

Tajikistan

New Commander of Russian Border Troops Appointed

LD1105063295 Moscow ITAR-TASS World Service in Russian 0615 GMT 11 May 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Translated Text] Dushanbe, 11 May — Lieutenant General Pavel Tarasenko, 46 years old, was appointed commander of the group of Russian border troops in Tajikistan on 10 May, ITAR-TASS was told today at the press center of the command of Russian border troops in Tajikistan. Tarasenko was previously chief of staff — deputy commander of troops of the Caucasian special border district.

Lieutenant General Anatoliy Chechulin, who has headed the group of Russian border troops in Tajikistan since 1993, has been promoted to another service post.

Minister: 30 Militants Arrested in Dushanbe

LD1005193795 Moscow INTERFAX in English 1654 GMT 10 May 95

[FBIS Transcribed Text] DUSHANBE, May 10 (Interfax) — Thirty members of an underground sabotage terrorist group, who participated in the murder of Russian servicemen, have been arrested in Dushanbe, Tajik Deputy Security Minister, Major General Saidanvar Kamolov told Interfax today.

He said that a secret storage of weapons where five Mukha grenade launchers and other armaments were stocked had been revealed in a flat in a living house in front of the Presidential Palace and the Residency of the Council of Ministers in the center of Dushanbe.

Kamolov said the militant group included members of the Movement for Islamic Rebirth of Tajikistan and had "stable contacts" with the Tajik opposition's center in Talukan, Afghanistan.

According to Kamolov, all terrorist acts committed by the saboteurs were of political character. "They sought to destabilize the public-political situation in the country and prove that the central authorities were incapable of controlling the situation," he said. Kamolov said the Security Ministry was working on revealing contacts between this terrorist group and other similar groups acting in Dushanbe.

He said special services had already cut off two illegal channels through which terrorists had been moving their militants from Tajikistan to Afghanistan and vice versa.

According to Kamolov, a total of 42 people have been recently sent from Tajikistan to Afghanistan, two of whom underwent special training and came back to Tajikistan "disguised as refugees." "These people have been revealed," Kamolov added.

Arrests Could Expose Other Terror Groups

MM1105095195 Moscow PRAVDA in Russian 11 May 95 p 2

[Report by Alisher Niyazov: "They Fired on the Sly. Investigation Into Killing of Russian Servicemen in Dushanbe"]

[FBIS Translated Text] Dushanbe — Employees of Tajikistan's Ministry of Security have put an end to the terrorist activity of one of the major underground groups on the territory of Dushanbe. More than 10 gunmen, including the leader of the grouping himself, were detained in the course of the joint operation with police subunits. They are charged with killing two Russian servicemen and two Tajik policemen, as well as an armed attack on a bus carrying Russian border guards in Dushanbe in February of this year. As is known, two women died in the shooting at that time — one nurse was killed at once, while the other died in a military hospital without regaining consciousness.

PRAVDA's correspondent was told the details of the operation at the Ministry of Security by one of the officers involved in the operation, who asked not to be named:

"A strong thread led back to the underground terrorist group following the tragic incident with the Russian border guard bus. We got on the trail of one of the attackers, who had ended up on the territory of Kazakhstan while evading possible arrest.. His 'partner in crime' soon arrived there too. We contacted our Almaty colleagues, who agreed to help in accordance with the Minsk Convention on Cooperation Among CIS Special Services. On 3 May two young Tajik suspects, 22-25 years of age, were arrested and sent to Dushanbe."

Under pressure of evidence already in the possession of the republic Security Ministry operational investigation team they testified and named two more accomplices. The rest was down to the professionals. When the terrorists were arrested, several grenade launchers, assault rifles with silencers, explosives, a large quantity of ammunition, and instructions for terrorist activity were discovered in the house where they were hiding.

One of the detainees admitted that all the group's members had been trained in sabotage and terrorist activity in 1993 and early 1994 at special training centers in the northern provinces of Afghanistan by experienced Afghan and Pakistani instructors. They were to hit chiefly servicemen — Russians above all. The purpose was to arouse fear in them and, most importantly, to stir up public opinion in Russia on the subject of the expediency of the Russian troops' remaining in Tajikistan. It is known that the Russian troops have long been a thorn in the side of the armed gunmen. Incidentally, the opposition leaders themselves have repeatedly declared that the Dushanbe regime would not remain in power more than three days without Russia's military support. All means are good for the jihad's triumph, even the killing of Russian soldiers and officers and simply of ethnic Russians.

My interlocutor said that so far just one grouping has, unfortunately, been rendered harmless, while according to current data there are at least 10 of them. Each one has between five and 15 members, who are well trained and, most importantly, possess good concealment and observe the rules of secrecy. At the same time some of these groups are already known to the special services, which are also on the trail of others. A strong thread has emerged, which means that the whole ball will soon be unwound.

Prices of Vegetable Oil, Milk Liberalized

LD1005143695 Dushanbe Radio Tajikistan Network in Russian 0400 GMT 10 May 95

[FBIS Translated Excerpt] A resolution of the Government of the Republic of Tajikistan and the National Bank of the Republic of Tajikistan. [passage omitted]

On vegetable oil prices:

In line with the rise of the purchase price of raw materials and the rise of the costs of fuel and tariffs for transportation services, the Government of the Republic of Tajikistan resolves that:

A free market selling price is to be set for vegetable oil from 15 May 1995.

The resolution of the Council of Ministers of the Republic of Tajikistan of 12 February 1994 on setting temporary retail price limits for a number of essential goods and Resolution No. 197 of the Council of Ministers of the Republic of Tajikistan of 27 April 1994, making amendments and additions to Resolution No. 74 of the Council of Ministers of the Republic of Tajikistan of 12 February 1994 on setting temporary retail price limits for a number of essential goods are to be considered invalid;

On milk prices:

With the aim of promoting milk production and in connection with the rise of the costs of fuel and logistical resources and the impossibility of covering the differences in prices from the republican budget, the government of the Republic of Tajikistan resolves that:

Free market selling prices are to be set for milk and dietetic sour milk products from 15 May 1995.

The third point of Resolution No. 194 of the Government of the Republic of Tajikistan of 10 March 1995 on prices for milk is to be considered invalid.

Turkmenistan

Trade, Cooperation Agreements Signed With Russia

MM1005143195 Moscow ROSSIYSKAYA GAZETA in Russian 5 May 95 First Edition p 12

[Unattributed report under the "Commonwealth Chronicle" rubric: "White Gold, Black Gold"]

[FBIS Translated Text] Ashgabat — Russia will receive 70,000 tonnes of cotton fiber in 1995 from Turkmenistan. This is stipulated by an agreement between the two countries' governments on the basic principles of trade and economic cooperation in 1995.

The document also stipulated the purchase by Russia of sheepskins, petroleum electrode [elektrodnyy] coke, and viticultural products. For its part, this year Turkmenistan will receive from Russia liquefied gas, steel piping, rolled metal, lumber, equipment for enterprises in the oil and gas complex, machine-building products, and several categories of food products.

A bilateral agreement on cooperation in transport and communications and on social guarantees for Russian citizens serving in Turkmenistan's Armed Forces was signed in Ashgabat, as was a protocol on examining the question of settling the debts which built up in mutual payments during 1992 and the first half of 1993, and a protocol on talks between government delegations from the two countries which took place 6-8 April in Ashgabat.

Niyazov Issues Decree on Foreign Trade Contracts

LD1005154595 Ashgabat TURKMENSKAYA ISKRA in Russian 2 May 95 p 1

[FBIS Translated Text] Decree by the president of Turkmenistan "On economic subjects concluding foreign trade contracts with foreign firms on the territory of Turkmenistan":

With the aim of increasing guarantees for the fulfillment of foreign trade contracts by economic persons of Turkmenistan with foreign firms, I hereby resolve:

1. To establish that all types of foreign trade contracts involving purchase and sale of goods, which are concluded by Turkmen economic persons with foreign firms, are subject to compulsory registration in order to ensure the guarantee of reliability, solvency, and other conditions envisaged in contracts.

State enterprises, establishments, organizations, collective farms, state collective farms, and enterprises of consumer cooperatives, are to register at higher ministries and departments;

Enterprises and organizations in the non-state sector as well as citizens of Turkmenistan are to register at the State Commodity and Raw Materials Exchange of Turkmenistan.

2. To define that a registered foreign trade contract is to come into effect after it has been legalized according to the established procedure at the State Commodity and Raw Materials Exchange of Turkmenistan.

3. Ministries and departments are to be guided by the legislative acts of Turkmenistan which regulate foreign economic activity and ensure that the state's economic interests are safeguarded while considering the foreign trade contracts submitted and are not allowed to conclude deals which lack a sufficient degree of reliability and insurance.

4. Paragraph 12 of the list of local taxes and levies approved by Resolution No. 1620 of the president of Turkmenistan issued on 14 December 1993 "On local taxes and levies" is to be deeemed null and void.

[Signed] Saparmurad Niyazov, president of Turkmenistan.

Land Reform Commission Reveals 'Shortcomings'

LD1005181995 Ashgabat VECHERNIY ASHGABAT in Russian 3 May 95 p 1

["Land into Private Ownership; Regular Meeting of the State Commission on Land Reform in Turkmenistan" — VECHERNIY ASHGABAT headline]

[FBIS Translated Text] Reviewing the development of lands allocated for private ownership, the land reform commission has revealed serious shortcomings. Out of 79,000 hectares of plots of land, less than half have been put into agricultural use. The work is being carried out especially unsatisfactorily in the Akhal and Lebap regions, where in the initial phase plots of land were allocated without taking the potential and abilities of the future owners into account. As a result, the lands are standing idle, and at best 20 to 25 percent of them have been developed. This is also typical of the Khauzkhan and Shakhsenem areas.

The commission demanded that its representatives in the field should set specific terms for the land to be brought into agricultural use. If these are breached, the owners will have to return the plots to the state. In addition, the commission's meeting noted that from now on, the allotment of new plots will be temporarily discontinued in those districts of the country where the development of land is being delayed.

The commission also considered the applications of 80 citizens of the country for the allotment of land totalling 1,213 hectares in area for private ownership. The previous day specialists from the State Committee for Land Use, Land Management, and Land Reform Implementation and the Ministry of Land Improvement and Water Resources of Turkmenistan visited the sites of the land plots and produced their conclusions. Having taken this into consideration, the state commission decided to all agree to the applications submitted.

Uzbekistan

Karimov Visits Moscow for Victory Celebrations

LD0805153595 Tashkent Radio Tashkent Network in Uzbek 1300 GMT 8 May 95

[FBIS Translated Excerpt] President Islam Karimov of the Republic of Uzbekistan went to Moscow today by invitation of the leaders of the Russian Federation, to attend the celebration of the 50th anniversary of the Great Victory over fascism. [passage omitted]

Effects of Switch to Oil Exporter Weighed

954F2256A Moscow SEGODNYA in Russian 28 Apr 95 p 5

[Report by Rustam Dzhevdetov, under the rubric "Credits": "The West Will Help Uzbekistan To Develop Its Uncountable Mineral Riches"]

[FBIS Translated Text] It looks as if from being an oil importer Uzbekistan will soon become its exporter. The results of the consultative meeting between the Government of the Republic of Uzbekistan and donor countries' representatives, which was held in Paris at the beginning of March of this year, are impressive: The independent state will receive more than $950 million in the form of specific investment and credits. Even many officials from the World Bank, the meeting's organizer, did not expect such an outcome.

The Uzbek delegation brought to the meeting a 70-page report, "Investment Priorities in the Public Sector," in which it practically for the first time published data on the work under way in gold, oil, and gas production, nonferrous metallurgy, and cotton processing. In addition, projects in land reclamation, transportation, infrastructure, and the social sphere were offered for the foreign countries' consideration. The total volume of investment requested amounted to about $5 billion. Actually, even the Uzbek Government bureaucrats, who had always been distinguished by excessive optimism, did not count on getting the full amount. Moreover, one delegation member confessed upon returning from Paris: "Seriously speaking, we had hoped for approximately one-tenth of the requested amount."

About $650 million out of the $950 million will be direct investment. About $150 million will be earmarked as a credit to support the government's stabilization program, and the rest will come in the form of technical aid. Among investment projects, these particularly stand apart: the Koklumalak oil field ($170 million), the Shurgan gas field ($120 million), the Mubarek group of oil fields ($60 million), the Minbulak oil field ($40 million), the reconstruction of the Bukhara refinery ($160 million), the reconstruction of the Syrdarya regional electric power station ($112 million), and others.

It is noteworthy that the bulk of investment is earmarked for the fuel and power generation sector. Thus, Uzbekistan will get the means to implement the program of oil independence, which by the end of the 1990's will make the country self-sufficient in energy. Uzbekistan currently imports more than 75 percent of the needed petroleum from Russia (2.4 million tonnes in 1994), which makes it the main import item. President Islam Karimov said on the subject that being dependent on Russia for energy diverts Uzbekistan's foreign currency reserves and keeps it from making its own currency convertible.

Part of the oil from Russia currently is delivered under inter-government agreements in exchange for deliveries of raw cotton, which provides work for Ivanovo weavers. However, the current "oil for cotton" barter formula may become unworkable after a while if the Russian side does not show an interest in Uzbek oil development. Because only dependence on Russian oil keeps the Uzbek side from bringing to the market textiles instead of raw cotton. Nevertheless, the Russian oil tycoons so far do not show an interest in investing in Uzbekistan.

Foreign investors (which include Texaco, Total, Elf-Akiten, and other companies) are noticeably active, however, which may be explained by Uzbekistan's huge potential: The Republic of Uzbekistan's State Committee on Geology estimates the Koklumalak oil field's reserves at 100 million tonnes of oil and 96 million tonnes of gas condensate. The EBRD [European Bank for Reconstruction and Development] calls Central Asia "the last region on the continent that still has large undeveloped deposits of raw materials." Uzbekistan is currently the world's sixth-largest producer of gold (and is in the top three in terms of its deposits), the ninth in gas production, and the second-largest (after the United States) exporter of cotton; it has large reserves of nonferrous metals and oil. In addition, totalitarianism creates the appearance of stability and manageability of the Uzbek society.

However, while sitting on considerable mineral riches, Uzbekistan is unable to develop its wealth on its own. Practically all deposits are undeveloped and require considerable investment.

Quite possibly, in the very near future Uzbekistan will encounter the problem of using the credits committed to it. The mechanism of their channeling assumes the presence of the private sector in the economy. Keeping in mind that the privatization process is only beginning in the country, and private companies are not welcome in Uzbekistan, it will be a long time before nonstate Uzbek companies begin acting as foreign investors' partners.

Armenia

President Returns From VE Celebrations in Moscow

NC1005185895 Yerevan Radio Yerevan International Service in Armenian 1800 GMT 10 May 95

[FBIS Translated Text] The Armenian presidential press service has reported that Armenian President Levon Ter-Petrosyan was present at the parade of the Great Patriotic War veterans in Moscow's Red Square on 9 May and at the military parade held at (?Paknomnaya Gora). After the parade, the Armenian president participated in the inauguration of a monument dedicated to the Great Patriotic War and placed a wreath at the tomb of the unknown soldier. Levon Ter- Petrosian was also present at a reception given by Russian President Boris Yeltsin at the Kremlin in the afternoon.

The Armenian delegation, lead by President Levon Ter-Petrosyan, returned to Yerevan in the evening of the same day.

Yeltsin Sends Message on Karabakh to Ter-Petrosyan

NC1005211095 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 10 May 95

[FBIS Translated Text] Russian President Boris Yeltsin has sent a letter to President Levon Ter-Petrosyan on the occasion of the first anniversary of the cease-fire established in the Nagorno-Karabakh conflict zone. Here is the full text of the letter:

Your Excellency, President of the Republic of Armenia, Mr. Levon Hakobi Ter-Petrosyan.

Esteemed Levon Hakobi, as the president of the Russian Federation and chairman of the Council of Heads of State of CIS Countries I convey my sincere congratulations and good wishes to you and to the friendly people of Armenia on the eve of the first anniversary of the cease-fire in the Nagorno-Karabakh conflict zone.

The massive bloodshed in the seven-year protracted and fierce military conflict stopped on 12 May 1994. With that thousands of human lives were saved, an end was put to the senseless destruction of the cities and villages and devastation of the economy and ecology of an entire region. And most importantly, it brought peace and stability to the people in Transcaucasia. The leaders' decision to stop the bloodshed was a daring and the sole correct step. The Russian Federation's contribution to this turning point towards peace was not negligible as, together with other states and CIS organs, it steadfastly aimed at achieving the cease-fire.

Now, it is important not to disappoint the peoples and before anything else the cease-fire should be duly consolidated, and regardless of the complexity of the fundamental problems generated by the tragic conflict they should be solved exclusively through political means in a consistent manner.

We expect the Armenian leadership to impart a realistic and constructive thrust to the talks on the agreement on ending the armed conflict that began in Moscow two years ago with the mediation of Russia. I believe that all the prisoners of war and hostages should be released before 12 May to alleviate the fate of these victims of the conflict and new steps should be taken to overcome the accumulated mutual distrust between the sides.

I call on the sides to renounce the use of force and to mutually put forward maximum genuinely tangible guarantees for security and thus undertake the elimination of the grave consequences of the conflict, including the liberation of the occupied lands, return of the refuges, and the restoration of normal life in the region.

We hope that the leaders of the conflicting sides will be ready to take serious steps toward rapprochement for the benefit of Transcaucasia and the vital interests of the entire CIS peoples.

As a mediator and a co-chairman of the [Minsk] conference on Nagorno-Karabakh under the aegis of the OSCE, Russia will continue to unrelentingly contribute to the resolution of the conflict. I am sure that the CIS also will continue supporting this effort.

Yours Respectfully, Boris Yeltsin

Karabakh Leader Addresses 'Liberation' Commemoration

NC0905200895 Yerevan Radio Yerevan International Service in Armenian 1800 GMT 9 May 95

[FBIS Translated Text] A ceremony was held in Stepanakert on 8 May to commemorate the 50th anniversary of the victory over German fascism and the 3rd anniversary of the liberation of Shusha.

The ceremony was opened by Leonard Petrosyan, prime minister of Nagorno-Karabakh Republic. A moment of silence was then observed in memory of martyred Karabakhians.

In his address, President Robert Kocharyan said: We are now fighting against those whom we used to regard as part of a single country. We cannot be blamed for the bloodshed. The war was imposed on us by Azerbaijan, which wants to bring our young republic down to its knees through force. But, our people again found the inner strength to organize and to deal a deserving counterblow to the enemy. The Karabakh people's achievements have refuted all the predictions based on the military strengths of the conflicting sides. The people's will and our generation's heroism also deserve recognition and appreciation. Most importantly, we have emerged from this war—probably just its first stage—as new men, freed from being the victim, the little brother, the geopolitical pawn.

Afterwards, Kocharyan handed out sports awards and military (?medals) to citizens who were prominent in the defense of the homeland.

The ceremony was concluded with a concert by cultural workers and artists.

Release of All Azerbaijani Prisoners Announced

NC1005212195 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 10 May 95

[Statement by Armenian President Levon Ter-Petrosyan—read by announcer]

[FBIS Translated Text] During the entire course of the Azerbaijani-Karabakh conflict, Armenia has displayed a constructive stance both towards the resolution of the conflict and the related humanitarian issues. As is well known, Armenia has frequently undertaken unilateral steps regarding prisoners of war and civilians to mitigate the affects of the conflict on individuals. Today, in commemorating the first anniversary of the cease-fire in the Azerbaijan-Karabakh conflict zone, Armenia is again ready to display its goodwill.

In reiterating its loyalty to the relevant international conventions as well as acceding to the calls made by Russian President Boris Yeltsin, the chairman of the CIS Interparliamentary Assembly, the chairmanship of the OSCE, the president of the International Red Cross Committee [IRCC], and others, Armenia is unilaterally setting free all the Azerbaijani prisoners of war and civilians held in Armenia in conformity with the IRCC's list.

Armenia expresses the conviction that the main sides to the conflict will respond to this move, thus creating a positive atmosphere for the upcoming talks.

Azerbaijan

Aliyev Returns From London, Paris, Moscow

NC1005173695 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 10 May 95

[FBIS Translated Text] Azerbaijani President Geydar Aliyev, who visited London, Paris, and Moscow to take part in ceremonies marking the 50th anniversary of victory over fascism, returned to the homeland today.

The president was welcomed by Chairman of the Supreme Soviet Rasul Guliyev, Prime Minister Fuad Guliyev, head of the presidential executive staff Ramiz Mehtiyev, deputy chairmen of the Supreme Soviet, ministers, and heads of committees and enterprises.

Government To Offer Paris Club Investment Projects

LD1005163995 Moscow INTERFAX in English 1246 GMT 10 May 95

[FBIS Transcribed Text] BAKU, May 10 (Interfax) — As Azerbaijan has been invited to a Paris club session in late May, it is going to offer this association of creditor-states a package of investment projects worth $10-$12 billion.

This was disclosed by Azerbaijan's Economics Minister Samad Sadykov at a meeting with European Union and U.S. officials Tuesday. These representatives had come to Baku to familiarize themselves with the state of economy in Azerbaijan and see what additional technical aid it requires and where money could be invested.

According to Sadykov, he told his guests in detail about the state of affairs in various branches of the republic's economy, where, as he put it, "reforms have yielded early results with the background of continuing crises and obvious economic difficulties."

In his opinion, Azerbaijan has made some headway in terms of macroeconomic stabilization. As a result of the stabilization program, carried out under IMF control, and despite the liberalization of bread prices and electricity tariffs, the rate of inflation has been curbed from 55 percent last December to 5 percent last month. Impressed with the stable currency, the IMF has decided to grant Azerbaijan the first part of an STF (Systemic Transformation Facility) credit worth $46.6 million.

But as raw materials have grown in price, costing as much as on the world market, the cost of manufacturing goods that cannot compete against their counterparts abroad have also gone up. Industries, Sadykov said, should not only halt the production fall and settle the insolvency problem but also diversify their production, which necessitates foreign investment.

Sadykov emphasized that the signing of a $7.4 billion long-term oil contract with a consortium of foreign petroleum companies provides certain guarantees for foreign investors and improves investment opportunities. He also disclosed plans to set up yet another consortium to develop the Shakh-Deniz gas condensate deposit in the Azeri sector of the Caspian region. The gas field's capacity is estimated at 300 billion cubic meters.

Georgia

UN Security Council To Prolong UN Mission Mandate

LD0905200095 Moscow ITAR-TASS in English 1911 GMT 9 May 95

[By Boris Sitnikov]

[FBIS Transcribed Text] UNITED NATIONS, May 9 (Itar-Tass) — The United Nations Security Council is planning to prolong the mandate of the U.N. observer mission in Georgia on May 11, official representative of the United Nations Secretary General Joe Sills said here today.

The Security Council continued today to discuss the report of the U.N. Secretary General on situation in Abkhazia, said Sills. It is expected to discuss a draft resolution on prolongation of the mission mandate till November 17. It seems that Council members are unanimous in their opinion on the issue, said Sills.

A meeting of states which assigned their military personnel for the U.N. observer mission in Georgia was held at the U.N. headquarters today. Such meetings have become regular before prolongation of the mandate of each peace-keeping operation to study the proposals of parties to the mission. A total of 134 military observers from 23 states, including Russia, are staying in the Georgian-Abkhazian conflict zone. The largest military groups were sent by Germany and Great Britain — ten military observers each, as well as Bangladesh — eleven observers. The Russian Federation is represented by three military observers.

Parliamentary Special Commission Sets Disarmament Date

LD1005214695 Moscow ITAR-TASS World Service in Russian 1455 GMT 10 May 95

[By ITAR-TASS correspondent Albert Kochetkov]

[FBIS Translated Text] Tbilisi, 10 May — Next Wednesday was fixed today by a special commission of the Georgian parliament as the final date for the disarmament of the republican "corps of rescuers." Its overall strength is about 3,000. The corps has at its disposal armor, artillery mounts and small-arms weapons. The move is being carried out on Eduard Shevardnadze's instructions, and it has been motivated by the involvement of many members of the "corps of rescuers" in organized crime.

By today the "corps of rescuers" had handed over lists of sites where arms had been stored. It is possible that tomorrow they will start to be handed over to representatives of the republic's defense ministry. They have already been handed over in a number of regions of Georgia. The disarming process has so far passed by without incident.

Government To Abolish Import Duties on Grain, Flour

LD1005162495 Moscow INTERFAX in English 1246 GMT 10 May 95

[FBIS Transcribed Text] MOSCOW, May 10 (Interfax) - The Georgian government has decided to abolish the 12 percent customs duties for the imports of grain and flour "regardless of the organizational and legal form and the form of the importer's property."

As Interfax learned from the National Bakery Products Corporation, this step was taken for the purpose of stimulating the private sector's participation in ensuring the supplies of bakery products for the population and creating competition.

Georgia consumes 1.1-1.2 million tonnes of grain a year. In its better years it met no more than 10 percent of its requirements on its own; in the past few years the amounts of internal grain purchases fell to 13,000-15,000 tonnes. Therefore, along with fuel, grain and flour remain its major import items. Georgia makes its purchases in Ukraine and Kazakhstan, and, through humanitarian aid and credit channels, in the USA, Turkey and European Union countries "in particularly large quantities."

Ioseliani: Shevardnadze Has Created Police State

AU1005115095 Tbilisi REZONANSI in Georgian 4-5 May 95 p 1

[Interview with Jaba Ioseliani, chairman of the State Committee for the Settlement of Conflict in Georgia, head of the Georgian delegation at the Georgian-Abkhazian peace talks, founder of the "Mkhedrioni" paramilitary organization, by unidentified correspondent on 2 May; place not given: "Jaba Ioseliani: 'In his Time, Gamsakhurdia Acted in This Way Against Us... He Subsequently Ended Up Abroad'"]

[FBIS Translated Text] [REZONANSI] It seems that you are opposed to a kray structure for Georgia.

[Ioseliani] Yes, I am categorically opposed to a kray structure. We do not need this at all. Such a structure represents a dictatorial institution. If the head of state distributes the power that we have conferred upon him left, right, and center, we will not tolerate this.

[REZONANSI] Nevertheless, Shevardnadze supports a kray structure.

[Ioseliani] Yes, he has pursued this course. I believe he has arbitrarily exceeded his powers. He has already accumulated dictatorial powers. We tolerate Shevardnadze only because he is Shevardnadze. However, parliament should resolve this question. If it approves the principle of a kray structure, we will demand a national referendum. If the people again want dictatorship, so be it. I believe that we do not have the economic means for a kray structure. Shevardnadze has created a police and bureaucratic state out of Georgia along with numerous parallel structures. I would call Georgia "a bureaucratic tadpole."

[REZONANSI] Do you not think that the struggle against members of the "Mkhedrioni" is precisely aimed at dealing with you?

[Ioseliani] Whoever fights against the "Mkhedrioni" is fighting against democracy. It is only possible for dictatorship to fight against democracy. However, they have forgotten that our oath states: "We will die, but we will not permit dictatorship." We have already laid down our lives once. Eight hundred "Mkhedrioni" members have already perished in Abkhazia. If necessary, we will lay down our lives once more. The struggle against us is not being waged openly but in disguise. However, we do not need any training in tearing away veils. In his time, [ex-President] Zviad Gamsakhurdia acted in this way against us... he subsequently ended up abroad.

[REZONANSI] Is this a threat or a warning?

[Ioseliani] This is a fact.

[REZONANSI] Do you intend to take part in the elections?

[Ioseliani] I was not certain that I wanted to. However, given the situation that has taken shape, I have decided that I will definitely take part in them.

Abkhaz Leader To Sign Memorandum on Federal Status

LD1005162595 Tbilisi IPRINDA in Russian 1230 GMT 10 May 95

[FBIS Translated Text] Tbilisi (IPRINDA) — An agency correspondent reports that in Moscow, an agreement has been reached with Abkhaz leader Vladislav Ardzinba to sign a memorandum on determining Abkhazia's political status on a federative basis. In order to study the situation more closely, Zurab Erkvania, chairman of the Supreme Council of the Autonomous Republic of Abkhazia, will leave Tbilisi for Moscow on 11 May.

Azeri Oil Consortium Head Views Export Routes

AU1105110995 Tbilisi REZONANSI in Georgian 2-3 May 95 p 1, 12

[Interview with Natik Aliyev, chairman of the Azerbaijan Oil Consortium, by Tea Rusitashvili; place and date not given: "The Main Condition Is That the Project Should Be Cheap and Safe"]

[FBIS Translated Text] [Rusitashvili] As is known, the consortium should make a final decision in a few months. What stage has the consortium reached in its work and what kind of decision can we expect?

[Aliyev] The consortium should carry out trial drilling over the next 30 months to establish what reserves the three fields contain. This is important to us as a basic document will exist without which not a single bank or financial establishment will agree to the construction of a multibillion oil export pipeline (capital investment in this pipeline is estimated at approximately 2 billion dollars). This is one of the areas of work in which the consortium is involved. The other area will concern the export of oil that has already been extracted.

You are probably well aware of Azerbaijan's geopolitical situation. Up to now, we have been exporting oil using three routes: South to Iran, west to Georgia, and north to Russia.

There existed the Baku-Groznyy oil pipeline whose capacity was 20 million metric tons. Today, this pipeline is empty and inoperative. If we are to export oil via this pipeline, investment is required and the construction of additional compressor and pumping plants. Only then will it be possible to send oil from Baku to Groznyy and to join [that pipeline] to the Novorossiysk pipeline. This is one variant of the so-called "Russian route." According to the second variant, oil should be transported to Russia by tankers as far as Makhachkala [Dagestan]. In exchange, we should receive an equivalent amount of oil to be refined at an oil refinery in one of the export ports.

This was the Russian variant. We associate the West's variant with Georgia. We are able to send oil in tank cars or via the Baku-Batumi oil and gas pipeline. This route functioned in its time; then, proceeding from the technical situation, certain restoration work was begun even back in the Soviet period, but, unfortunately, this process was dragged out and it was not possible to complete it. Only individual stretches were put into operation. It was necessary to connect them by constructing cross-links although, given the disorder in Georgia and Azerbaijan at the time, it was in fact impossible to do this.

[Rusitashvili] Is it technically possible to bring the Baku- Batumi oil pipeline into operation?

[Aliyev] We are currently studying the state of the pipeline and preparing a special report to establish what capital investment will be necessary to bring the pipeline into operation and make it economically viable. This involves the construction of compressor and pumping plants, operating staff, linking the pipeline to corresponding terminals, and so forth.

We view this as one of the most advantageous variants as the use of this route will enable us not only to pipe the oil we extract but also to export oil products processed in plants in Baku. However, all this will become possible once the basic pipeline has been brought into operation. This factor is a matter of great interest to Azerbaijan. I personally believe that, if the consortium does not have the forces to restore the pipeline, we should manage it ourselves. I have proposals from a whole number of foreign companies that are ready to invest and complete the restoration work on the Baku-Batumi oil pipeline. It will be possible to send 5 million metric tons of oil via this pipeline. This is not a lot, but it corresponds to the capacities of the port of Batumi. Recently, the consortium requested extra time to appraise the existing Baku-Batumi oil pipeline. The consortium, State Oil Company, and the State Fuel Committee (on whose balance sheet this oil pipeline has been entered) have just signed an agreement according to which only we have exclusive rights to conduct negotiations regarding this oil pipeline. That is to say, no one in Azerbaijan can use it until we renounce our rights.

In addition to the Georgian variant, the consortium is also examining the Iranian route. To be frank, it is precisely the Iranian variant that is today the most economically advantageous. There are certain calculations that show that transporting the crude oil by tankers and then via the existing pipeline to Tabriz and receiving in return Iranian oil from the Persian Gulf is economically the best variant. However, there are certain political issues here. Azerbaijan wanted Iran to participate in developing our oil deposits, but the U.S. Government blocked this and its companies in the consortium did not approve of our idea, namely that Azerbaijan would yield its share in the project to Iran. However, against this background and in parallel to this, the United States is not opposed to our exporting oil via Iran.

It should also be pointed out that negotiations with Iran on this score have not yet begun, although the consortium has wanted them to take place. I personally met with the Iranian ambassador recently and the consortium sent a letter expressing the desire to begin negotiations.

[Rusitashvili] Approximately what amount of oil is planned to be extracted and refined?

[Aliyev] Our estimates are at the moment confined to one platform — Shirak-1 [name as transliterated]; there will be 20 oil wells in this field and it should be possible to extract 5 million metric tons of oil annually from each. In addition, there are two other fields.

[Rusitashvili] What criteria is the consortium applying in choosing an oil export route?

[Aliyev] No matter which route is finally chosen, the consortium is examining all variants. This is the policy and practice of the foreign companies. The route is assessed first and foremost according to how safe it is, the political situation there, and its economic efficiency and profitability.

The consortium and foreign companies are concerned most of all that the route should be safe and reliable and, of course, that the states through which it will pass will offer preferential tariffs. When it is a question of so-called big oil pipelines, it is clearly a strategic matter. Naturally, it is also an economic issue, but politics plays a big part and it should be resolved at the highest level, taking into account, first and foremost, the interests of those states through whose territory the oil route will pass.

Foreign investors always demand specific variants from the authorities and those bodies with whom they are working as this contract is not some kind of short-term agreement but involves long-term aims and the investment of some capital (particularly when the amount is huge). They have to have a guarantee that is given precisely by the authorities. Foreigners want not only a guarantee, but sanctions that can be imposed, for example, in the event of expropriation, nationalization in the country, and so forth. The friendship between the Georgian and Azeri oil companies and the consortium should be strengthened by means of corresponding guarantees on the part of the Georgian and Azeri authorities and should be ratified by the two presidents.

Our state, for example, has had the contract ratified in parliament. There is a presidential edict according to which the contract is valid in law in the Republic of Azerbaijan. This is the most important document that is not subordinate to any other laws and nothing stands above it.

[Rusitashvili] How soon will the process of extracting and exporting oil begin?

[Aliyev] A meeting of the consortium's steering committee will be held on 8 June at which the representatives of the state oil companies will gather. Azerbaijan has 10 representatives in the consortium and it is precisely me who is regarded as the chairman of the consortium's steering committee. At this meeting, we should adopt a proposal on the use of the "Shirak-1" platform and the early extraction of oil. As soon as this decision is adopted, the question of the early export of oil will be resolved in practice and automatically.

[Rusitashvili] Have you held talks with the Georgian side on this issue?

[Aliyev] I recently received a visit from Georgian Deputy Prime Minister Zurab Kervalishvili. We discussed a number of questions concerning our joint cooperation. In particular, we touched on the subject of exporting oil through Georgian territory. One of Shevardnadze's advisers was also in the consortium.

Our specialists, along with experts from the foreign oil companies, were in Georgia. They received quite detailed information concerning terminals, the port, and the railway. They met the management of "Saknaftobi" [Georgian Oil], the State Fuel Committee, and the Cabinet of Ministers. However, they should have a reliable guarantee that all installations on Georgian territory that are to be used to transport oil, will be protected to the maximum.

President of Azerbaijan Geydar Aliyev is planning to visit Georgia in the near future. I think this question should be first discussed at the very highest level. Once a certain agreement has been reached, relatively more extensive work will be carried out in a more specific direction regarding this question.

[Rusitashvili] Nevertheless, to which export route is the consortium giving priority?

[Aliyev] It is difficult to talk about priorities today as, in order to choose a particular route or priority direction, a comparison has to be made. A decision should not be adopted on the basis of intuition, subjective reasons, or personal sympathies. First and foremost, an economic analysis should be made of all the routes and only then will it be possible to talk about selecting one of them. One or two priority directions will be chosen, which will be assessed from the political, economic, and geopolitical points of view. Of course, the cheaper the project, the more advantageous it will be for us and the foreign companies.

Estonia

Meri Views NATO, EU Membership, Russian Threat

LD1005180895 Helsinki Suomen Yleisradio Network in Finnish 1430 GMT 10 May 95

[FBIS Translated Text] Estonian President Lennart Meri believes that Finland's and Estonia's close relations with the European Union and NATO will increase security in the Baltic Sea region. Estonia is attempting to become a full member of both organizations. Meri, who will arrive on an official state visit to Finland next week, says that a new era will start in relations between Finland and Estonia. President Meri met Finnish reporters in Tallinn today. Our reporter Ulla-Maija Maeaettaenen was also there:

[Maeaettaenen] Estonian President Lennart Meri will carry out his first official state visit to Finland next week, but during his three years as president, he has been to Finland very often on private visits. Today, Meri said to Finnish reporters that relations between Estonia and Finland are exceptional. Estonia has not had such close relations with any other country from the very beginning. According to President Lennart Meri, a new chapter will be opened in relations between the two countries, in that Finland is a member of the European Union and Estonia will sign an associate membership agreement with the European Union later this month. Meri says that Finland's membership in the EU is improving security in the Baltic Sea region.

[Meri in Estonian fading into Maeaettaenen summary] Meri believes that Estonia will become a full member of the European Union in this century. Estonia is also attempting to become a member of NATO, but that will take longer. According to Meri, Estonia's NATO membership would increase security in the Baltic Sea region. Meri says that NATO is a muscle which defends democracy and a shield which the European Union needs.

According to Meri, Estonia is interested in good relations with all neighboring countries, including Russia. Meri justified his absence from the victory celebrations in Moscow yesterday as follows:

[Meri in Estonian fading into Maeaettaenen summary] So far, Russia has continued an aggressive, Stalinist foreign policy, due to which Estonia, among other countries, lost its independence a long time ago. Meri hopes that Russia will distance itself from this, but unfortunately this has not yet happened. Russia is constantly directing conflicting signals toward the Baltic countries and publicizing propagandistic claims that it wants to keep the Baltic countries within its claws, Estonian President Lennart Meri says. He thinks that the situation is impossible.

Meri is pleased with the way economic relations have developed between Finland and Estonia. Meri hopes that trade between Finland and Estonia will not only consist of timber trading, for example. President Meri, who admires new technology, hopes that technical know-how and new technology will enrich economic cooperation between Finland and Estonia. This is Ulla-Maija Maeaettaenen in Tallinn.

Progress Reported in Russian Border Talks

LD1005204095 Moscow INTERFAX in English 1710 GMT 10 May 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] TALLINN, May 10 (Interfax) — "Some progress" has been achieved in settlement of the Estonian-Russian border dispute, Estonian Foreign Minister Riivo Sinijarv said.

He told Interfax in an interview today that he hoped that the dispute would be resolved. Sinijarv said the fact that Moscow and Tallinn had established close contacts on the issue was rather promising. However, he declined to elaborate how the problem could be settled.

Estonia is in favor of defining its border with Russia under the Tartu Peace Treaty of 1920 and lays claims to 2,500 square kilometers in Russia's Pskov and Leningrad regions. Moscow believes that the Tartu Treaty became invalid after Estonia joined the USSR in 1940 and that the territorial problem does not exist in fact.

Sinijarv said he was going to visit Russia this June. He said that before his visit Russian Deputy Foreign Minister Sergey Krylov would come to Tallinn in early June. "We plan to discuss in detail the present state of Estonian-Russian relations and the agenda for talks in Moscow," he added.

Sinijarv said the Estonian new cabinet considered relations with Russia as a priority.

He said Tallinn would pay more attention to relations with North Europe. "However, this does not mean that we change our foreign political priorities," Sinijarv added.

"Estonia still pays major attention to integration into and cooperation with the European Union and NATO. However, after Sweden and Finland joined the EU Tallinn will build relations with them within the context of the new situation and will somewhat correct its contacts with these countries," Sinijarv said.

Sinijarv said Tallinn was very interested in developing relations with Germany "which provides to Estonia large assistance as far as integration into European structures is concerned."

Sinijarv said the Estonian new cabinet would develop relations with the Baltic states. He said relations between Estonia and Latvia were "very good despite the recent dispute over the maritime border and fishing in the Riga Gulf."

"Such things happen between countries. Disputes can last for years. However, this does not inhibit the countries developing friendly relations," he concluded.

Sweden Offers Help in Revamping Naval Base

LD1105084495 Moscow ITAR-TASS in English 0721 GMT 11 May 95

[By Albert Maloveryan]

[FBIS Transcribed Text] TALLINN, May 11 (Itar-Tass) — Sweden is ready to offer Estonia a number of plans for converting the port in Paldiski, formerly used by the Soviet Union and Russia as a naval base and a training centre for their submarine fleets, to a civilian use.

These plans will be discussed during the forthcoming visit to Estonia of Pierre Schori, Swedish Minister for assistance to other countries.

After Estonia proclaimed its independence and Russia withdrew troops from Paldiski, the nuclear reactors in the training centre began to be dismantled and unexploded bombs and mines began to be removed from the sea off the Paldiski coast.

Under an inter-governmental agreement between Sweden and Estonia, Swedish coastguard vessels are engaged in removing mines off the sea-bed.

Lithuania

Official on Russian NATO Expansion Inflexibility

LD1005214995 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 10 May 95

[FBIS Translated Text] Lithuanian diplomats regret that the Russian politicians continue to pursue an inflexible policy concerning the prospects for the expansion of NATO. All the arguments used by Russia indicate that Moscow refuses to understand the new role of NATO in Europe, Secretary of the Lithuanian Ministry of Foreign Affairs Albinas Januska said in an interview to Baltic News Service. He noted the hostility voiced once again by Russian President Boris Yeltsin at the meeting with U.S. President Bill Clinton in Moscow on Wednesday concerning future expansion of NATO to the East. According to Albinas Januska the real motives for Russia's dissatisfaction is the desire to preserve the influence in East and Central Europe and a fear of losing the market for arms sales in these countries.

If consideration is taken not only of Russia's interests but also of the historically and morally rightful security interests of Central Europe, the expansion of NATO will be unavoidable and will not (?disappoint) the Baltic states, the secretary of the Lithuanian Ministry of Foreign Affairs said. At the same time Albinas Januska admitted that a rapid expansion of NATO is hardly to be expected because both the alliance itself and the future members of the alliance will have to get thoroughly prepared.

Labor Party Leader Views Military Expansion

LD1005165995 Moscow INTERFAX in English 1246 GMT 10 May 95

[FBIS Transcribed Text] VILNIUS, May 10 (Interfax) - Russia may use its possible integration with Belarus for "shifting its military facilities as close to the Lithuanian border as possible," Chairman of the Lithuanian parliament's Democratic Labor Party faction Gediminas Kirkilas told the Echo of Lithuania newspaper Wednesday [10 May].

He described Russia's determination to expand its own military space as "strange," given its opposition to NATO's expansion plans.

In his opinion, new members are likely to apply for NATO membership only after presidential elections have taken place in Russia.

The Democratic Labor Party is Lithuania's ruling party. It advocates social-democratic ideas of state development, while the Lithuanian government, shaped on the basis of this party, is pursuing a policy of compromises in relation to Russia.

Saeima Adopts Laws on Party Finances

LD1005195195 Riga Radio Riga Network in Latvian 1700 GMT 10 May 95

[FBIS Translated Text] Today the Saeima held an extraordinary plenary session of the Saeima. On the second reading, the law on the financing of political organizations and parties was adopted. The bill on electoral commissions for town, district, and pagasts [rural district] elections was adopted unanimously on its third reading. It stipulates that by 15 June, local councils must create permanent electoral commissions. They will have the status of permanent local government institutions, and the commissions will function during the mandates of all the corresponding local authorities. Representatives on the electoral commissions can be proposed to the Ministry of Justice by registered political parties; and it must be added that today's plenary session lasted only one hour.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically, words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.